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## Consumer Price Index (CPI)

June 2002

Co-operation between Statistics South Africa (Stats SA), the citizens of the country, the private sector and government institutions is essential for a successful statistical system. Without continued co-operation and goodwill, the timely release of relevant and reliable official statistics will not be possible.

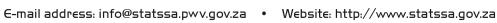
Stats SA publishes approximately three hundred different releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally, but also by international economic and social-scientific communities, Stats SA releases are published in English only.

This data in this statistical release adheres to the Special Data Dissemination Standard (SDDS) of the International Monetary Fund (IMF), which sets out standards on coverage, periodicity and timeliness of data; access by the public; integrity; and quality of the disseminated data.

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### EXECUTIVE SUMMARY

### **KEY FIGURES AT JUNE 2002**

	Indices (2000=100)			Perce	oetween	
Main Indices	June 2001	May 2002	June 2002	a	y 2002 and e 2002	June 2001 and June 2002
				Actual %	Seasonally adjusted %	Actual %
CPI (metropolitan areas)	106,2	114,6	115,6	+ 0,9	+ 0,9	+ 8,9
CPI excluding interest rates on mortgage bonds (CPIX) (metropolitan and other urban areas)	106,3	115,6	116,7	+ 1,0	+ 1,0	+ 9,8

### **KEY FINDINGS AT JUNE 2002**

The headline inflation rate at June 2002 (i.e. the Consumer Price Index for the historical metropolitan areas at June 2002 compared with that at June 2001) is 8,9%.

The official inflation rate (i.e. the percentage change in the CPI for the historical metropolitan areas at June 2002 compared with that at June 2001) is 8,9% at June 2002. This rate is 0,5 of a percentage point higher than the corresponding annual rate of 8,4% at May 2002 (cf. table 2.1, p. 13), mainly due to larger annual contributions reflected at June 2002 in the price indices for food (with a contribution of 3,3 percentage points to the 8,9% official inflation rate), housing (with a contribution of 2,1 percentage points to the 8,9% official inflation rate) and furniture and equipment (with a contribution of 0,3 of a percentage point to the 8,9% official inflation rate (cf. table 3, p. 14), than the annual contributions reflected at May 2002 for food (with a contribution of 2,8 percentage points to the 8,4% official inflation rate), housing (with a contribution of 1,9 percentage points to the 8,4% official inflation rate) and furniture and equipment (with a contribution of 0,2 of a percentage point to the 8,4% official inflation rate) and furniture and equipment (with a contribution of 0,1 of a percentage point to the 8,4% official inflation rate). From May 2002 to June 2002 the Consumer Price Index for the historical metropolitan areas as well as the seasonally adjusted index increased by 0,9%.

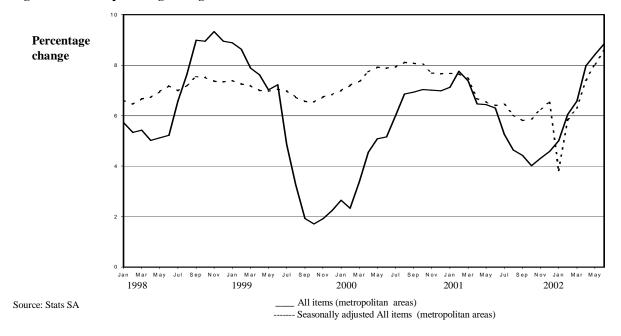
The annual increase of 8,9% in the Consumer Price Index for the historical metropolitan areas is mainly due to annual increases in the price indices for food (+ 3,3 percentage points), housing (+ 2,1 percentage points), transport (+ 1,0 percentage point) and medical care and health expenses (+ 0,9 of a percentage point). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (- 0,1 of a percentage point) (cf. table 3, p. 14).

The annual percentage change in the Consumer Price Index excluding interest rates on mortgage bonds (CPIX) for the historical metropolitan and other urban areas is 9,8% at June 2002 (i.e. the CPIX at June 2002 compared with that at June 2001)

The annual percentage change in the CPIX, which is the Consumer Price Index excluding the interest rate on mortgage bonds, for the historical metropolitan and other urban areas is 9,8% at June 2002 (i.e. the CPIX at June 2002 compared with that at June 2001). This rate is 0,6 of a percentage point higher than the corresponding annual rate of 9,2% at May 2002 (cf. table 2.2, p. 13). From May 2002 to June 2002 the CPIX for the historical metropolitan and other urban areas as well as the seasonally adjusted index increased by 1,0%.

The annual increase of 9,8% in the CPIX for the historical metropolitan and other urban areas is mainly due to annual increases in the price indices for food (+4,3 percentage points), housing, excluding interest rates on mortgage bonds (+1,8 percentage points, due to increases in all components in certain areas), transport (+1,0 percentage point) and medical care and health expenses (+1,0 percentage point). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (-0,2 of a percentage point) (cf. table 9, p. 15).

Figure 1 – Annual percentage change in the Consumer Price Index



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### HISTORICAL METROPOLITAN AREAS

### **KEY FIGURES AT JUNE 2002**

Table A – Consumer Price Index (CPI) and the inflation rate for the metropolitan areas according to main indices

		Indices (2000=100)		Perc	between			
Main Indices	June 2001	May 2002	June 2002	May 2002 and June 2002		and		June 2001 and June 2002
				Actual %	Seasonally Adjusted %	Actual %		
CPI	106,2	114,6	115,6	+ 0,9	+ 0,9	+ 8,9		
CPI excluding interest rates on								
mortgage bonds (CPIX)	106,8	116,1	117,2	+ 0,9	+ 1,0	+ 9,7		
Core index	107,5	116,0	117,3	+ 1,1	+ 1,0	+ 9,1		
Food price index	104,1	118,8	120,6	+ 1,5	+ 1,9	+ 15,9		
CPI excluding food price index	106,6	113,5	114,3	+ 0,7	+ 0,7	+ 7,2		
CPI excluding Value Added Tax (VAT)	106,2	114,6	115,6	+ 0,9	+ 0,9	+ 8,9		

### **KEY FINDINGS AT JUNE 2002**

The headline inflation rate at June 2002 (i.e. the Consumer Price Index for the historical metropolitan areas at June 2002 compared with that at June 2001) is 8,9%.

The official inflation rate (i.e. the percentage change in the CPI for the historical metropolitan areas at June 2002 compared with that at June 2001) is 8,9% at June 2002. This rate is 0,5 of a percentage point higher than the corresponding annual rate of 8,4% at May 2002 (cf. table 2.1, p. 13), mainly due to larger annual contributions reflected at June 2002 in the price indices for food (with a contribution of 3,3 percentage points to the 8,9% official inflation rate), housing (with a contribution of 2,1 percentage points to the 8,9% official inflation rate) and furniture and equipment (with a contribution of 0,3 of a percentage point to the 8,9% official inflation rate (cf. table 3, p. 14), than the annual contributions reflected at May 2002 for food (with a contribution of 2,8 percentage points to the 8,4% official inflation rate), housing (with a contribution of 1,9 percentage points to the 8,4% official inflation rate) and furniture and equipment (with a contribution of 0,2 of a percentage point to the 8,4% official inflation rate) and furniture and equipment (with a contribution of 0,1 of a percentage point to the 8,4% official inflation rate). From May 2002 to June 2002 the Consumer Price Index for the historical metropolitan areas as well as the seasonally adjusted index increased by 0,9%.

The annual increase of 8.9% in the Consumer Price Index for the historical metropolitan areas is mainly due to annual increases in the price indices for food (+ 3.3 percentage points), housing (+ 2.1 percentage points), transport (+ 1.0 percentage point) and medical care and health expenses (+ 0.9 of a percentage point). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (- 0.1 of a percentage point) (cf. table 3, p. 14).

The Consumer Price Index for the historical metropolitan areas increased by 0.9% from May 2002 to June 2002. This monthly increase is due to monthly increases in the price indices for food (+ 0.3 of a percentage point), housing (+ 0.2 of a percentage point), medical care and health expenses (+ 0.2 of a percentage point) and furniture and equipment (+ 0.1 of a percentage point). These monthly increases were partially counteracted by a monthly decrease in the price index of transport (- 0.1 of a percentage point, mainly due to a 13c/1 decrease in the price of petrol), (cf. table 4, p. 14).

Annual percentage change in the Consumer Price Index excluding interest rates on mortgage bonds (CPIX) is 9,7% at June 2002 (i.e. the percentage change in the CPIX at June 2002 compared with that at June 2001)

The annual percentage change in the CPIX for the historical metropolitan areas is 9,7% at June 2002 (i.e. the percentage change in the CPIX at June 2002 compared with that at June 2001). This rate is 0,5 of a percentage point higher than the corresponding annual rate of 9,2% at May 2002. From May 2002 to June 2002 the CPIX for the historical metropolitan areas increased by 0,9% and the seasonally adjusted index increased by 1,0%.

The annual increase of 9,7% in the CPIX for the historical metropolitan areas is mainly due to annual increases in the price indices for food (+ 3,7 percentage points), housing, excluding interest rates on mortgage bonds (+ 2,0 percentage points, due to increases in all components in certain areas), transport (+ 1,1 percentage points) and medical care and health expenses (+ 1,0 percentage point). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (- 0,1 of a percentage point) (cf. table 7, p. 15).

From May 2002 to June 2002 the CPIX for the historical metropolitan areas increased by 0.9%. This monthly increase is due to monthly increases in the price indices for food (+ 0.4 of a percentage point), housing, excluding interest rates on mortgage bonds (+ 0.2 of a percentage point), personal care (+ 0.2 of a percentage point), medical care and health expenses (+ 0.1 of a percentage point) and furniture and equipment (+ 0.1 of a percentage point). These monthly increases were partially counteracted by a monthly decrease in the price index of transport (- 0.1 of a percentage point, mainly due to a 13c/1 decrease in the price of petrol) (cf. table 8, p. 15).

### Core inflation rate

The core inflation rate for the historical metropolitan areas (cf. explanatory notes 33, 34 and 35 on page 35) is 9,1% at June 2002 (i.e. the core index at June 2002 compared with that at June 2001). This rate is 0,6 of a percentage point higher than the corresponding annual rate of 8,5% at May 2002. From May 2002 to June 2002 the core index for the historical metropolitan areas increased by 1,1% and the seasonally adjusted index increased by 1,0% for the same period.

The annual increase of 9.1% in the core index for the historical metropolitan areas is mainly due to annual increases in the price indices for housing (+ 2,3 percentage points, due to increases in all components in certain areas), food (+ 1,5 percentage points), transport (+ 1,4 percentage points), medical care and health expenses (+ 1,3 percentage points), education (+ 0,4 of a percentage point), fuel and power (+ 0,4 of a percentage point) and personal care (+ 0,4 of a percentage point). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (- 0,1 of a percentage point) (cf. table 11, p. 16).

From May 2002 to June 2002 the core index for the historical metropolitan areas increased by 1,1%. This monthly increase is due to monthly increases in the price indices for food (+0.5) of a percentage point), housing (+0.2) of a percentage point), medical care and health expenses (+0.2) of a percentage point), personal care (+0.2) of a percentage point) and furniture and equipment (+0.1) of a percentage point). These monthly increases were partially counteracted by a monthly decrease in the price index of transport (-0.1) of a percentage point, mainly due to a 13c/l decrease in the price of petrol) (cf. table 12, p. 16).

### Food inflation

The price index for food reflects an annual rate of increase of 15,9% at June 2002 (i.e. the CPI for food at June 2002 compared with that at June 2001). This rate is 1,9 percentage points higher than the corresponding annual rate of 14,0% at May 2002. From May 2002 to June 2002 this index increased by 1,5% and the seasonally adjusted index increased by 1,9%.

Annual increases occurred in the price indices for vegetables (+22,0%), fats and oils (+18,8%), grain products (+18,6%), milk, cheese and eggs (+16,6%), meat (+15,5%), sugar (+11,8%), "other" food products (+11,6%), fruit and nuts (+11,5%), coffee, tea and cocoa (+10,4%) and fish and other seafood (+9,3%) (cf. table 15, p. 17).

Monthly increases occurred in the price indices for "other" food products (+3,4%), grain products (+2,8%), milk, cheese and eggs (+2,4%), coffee, tea and cocoa (+1,9%), vegetables (+1,3%), fats and oils (+0,6%), meat (+0,5%) and sugar (+0,2%). These monthly increases were partially counteracted by monthly decreases in the price indices for fruit and nuts (-1,9%) and fish and other seafood (-0,3%). (cf. table 15, p. 17).

### Price index for non-food items

The price index for non-food items shows an annual rate of increase of 7,2% at June 2002 (i.e. the price index for non-food items at June 2002 compared with that at June 2001). This rate is 0,2 of a percentage point higher than the corresponding annual rate of 7,0% at May 2002. From May 2002 to June 2002 this index as well as the seasonally adjusted index increased by 0,7%.

Relatively large annual increases occurred in the price indices for medical care and health expenses (+12,5%), cigarettes, cigars and tobacco (+10,3%), housing (+9,8%), personal care (+9,3%), fuel and power (+8,6%), reading matter (+8,1%), alcoholic beverages (+8,0%), non-alcoholic beverages (+7,8%), education (+7,5%) and furniture and equipment (+7,2%). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (-3,6%) (cf. table 15, p.17).

Relatively large monthly increases occurred in the price indices for personal care (+4,2%), furniture and equipment (+2,2%), medical care and health expenses (+1,9%), recreation and entertainment (+1,1%) and housing (+1,1%). These monthly increases were partially counteracted by a monthly decrease in the price index for transport (-0,9%), mainly due to a 13c/l decrease in the price of petrol) (cf. table 15, p. 17).

### 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 June 2002 and the average index of the previous three months. This approach, when using seasonally adjusted data shows an increase of 15,7% (which is 0,4 of a percentage point lower than the corresponding rate of 16,1% for May 2002), while the unadjusted data shows an increase of 16,4% (which is 1,0 percentage point lower than the corresponding rate of 17,4% for May 2002).

### Pensioners

The annual inflation rate for pensioners in the historical metropolitan areas is 9,1% at June 2002 (i.e. the CPI for pensioners at June 2002 compared with that at June 2001), which is 0,6 of a percentage point higher than the corresponding rate of 8,5% at May 2002 (cf. table 27, p. 28).

### HISTORICAL METROPOLITAN AND OTHER URBAN AREAS

### **KEY FIGURES AT JUNE 2002**

Table B – Consumer Price Index (CPI) and the inflation rate for the metropolitan and other urban areas according to main indices

		Indices (2000=100)		Percentage change between			
Main Indices	June 2001	May 2002	June 2002	May 2002 and June 2002		June 2001 and June 2002	
				Actual %	Seasonally Adjusted %	Actual %	
CPI	105,7	114,3	115,3	+ 0,9	+ 0,8	+ 9,1	
CPI excluding interest rates on mortgage bonds (CPIX)	106,3	115,6	116,7	+ 1,0	+ 1,0	+ 9,8	
Core index	106,9	115,3	116,6	+ 1,1	+ 1,0	+ 9,1	
Food price index	104,1	119,4	121,5	+ 1,8	+ 2,0	+ 16,7	
CPI excluding food price index	106,2	113,0	113,8	+ 0,7	+ 0,6	+ 7,2	
CPI excluding Value Added Tax (VAT)	105,7	114,3	115,3	+ 0,9	+ 0,8	+ 9,1	

### **KEY FINDINGS AT JUNE 2002**

Inflation rate for the historical metropolitan and other urban areas is 9,1% at June 2002 (i.e. the CPI at June 2002 compared with that at June 2001)

The inflation rate for the historical metropolitan and other urban areas is 9,1% at June 2002 (i.e. the CPI at June 2002 compared with that at June 2001). This rate is 0,6 of a percentage point higher than the corresponding annual rate of 8,5% at May 2002, mainly due to larger annual contributions reflected at June 2002 in the price indices for food, housing, medical care and health expenses and personal care, than the annual contributions reflected at May 2002 in the price indices for these items (cf. table 5, p. 14). From May 2002 to June 2002 the Consumer Price Index for the historical metropolitan and other urban areas increased by 0,9% and the seasonally adjusted index increased by 0,8%.

The annual increase of 9,1% in the Consumer Price Index for the historical metropolitan and other urban areas is mainly due to annual increases in the price indices for food (+ 3,7 percentage points), housing (+ 2,0 percentage points), transport (+ 0,9 of a percentage point) and medical care and health expenses (+ 0,9 of a percentage point). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (- 0,1 of a percentage point) (cf. table 5, p. 14).

From May 2002 to June 2002 the Consumer Price Index for the historical metropolitan and other urban areas increased by 0,9%. This monthly increase is due to monthly increases in the price indices for food (+ 0,4 of a percentage point), housing (+ 0,2 of a percentage point), personal care (+ 0,2 of a percentage point), furniture and equipment (+ 0,1 of a percentage point) and medical care and health expenses (+ 0,1 of a percentage point). These monthly increases were partially counteracted by a monthly decrease in the price index for transport (- 0,1 of a percentage point, mainly due to a 13c/l decrease in the price of petrol) (cf. table 6, p. 14).

The annual percentage change in the Consumer Price Index excluding interest rates on mortgage bonds (CPIX) for the historical metropolitan and other urban areas is 9,8% at June 2002 (i.e. the CPIX at June 2002 compared with that at June 2001)

The annual percentage change in the CPIX, which is the Consumer Price Index excluding the interest rate on mortgage bonds, for the historical metropolitan and other urban areas is 9,8% at June 2002 (i.e. the CPIX at June 2002 compared with that at June 2001). This rate is 0,6 of a percentage point higher than the corresponding annual rate of 9,2% at May 2002 (cf. table 2.2, p. 13). From May 2002 to June 2002 the CPIX for the historical metropolitan and other urban areas as well as the seasonally adjusted index increased by 1,0%.

The annual increase of 9,8% in the CPIX for the historical metropolitan and other urban areas is mainly due to annual increases in the price indices for food (+4,3 percentage points), housing, excluding interest rates on mortgage bonds (+1,8 percentage points, due to increases in all components in certain areas), transport (+1,0 percentage point) and medical care and health expenses (+1,0 percentage point). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (-0,2 of a percentage point) (cf. table 9, p. 15).

From May 2002 to June 2002 the CPIX for the historical metropolitan and other urban areas increased by 1,0%. This monthly increase was due to monthly increases in the price indices for food (+ 0,5 of a percentage point), housing, excluding interest rates on mortgage bonds (+ 0,2 of a percentage point), personal care (+ 0,2 of a percentage point), furniture and equipment (+ 0,1 of a percentage point) and medical care and health expenses (+ 0,1 of a percentage point). These monthly increases were partially counteracted by a monthly decrease in the price index for transport (- 0,1 of a percentage point, mainly due to a 13c/l increase in the price of petrol), (cf. table 10, p. 15).

### **Core inflation rate**

The core inflation rate for the historical metropolitan and other urban areas (cf. explanatory notes 33, 34 and 35 on page 35) is 9,1% at June 2002 (i.e. the core index at June 2002 compared with that at June 2001), which is 0,7 of a percentage point higher than the corresponding annual rate of 8,4% at May 2002. From May 2002 to June 2002 the core index for the historical metropolitan and other urban areas increased by 1,1% and the seasonally adjusted index increased by 1,0%.

The annual increase of 9.1% in the core index for the historical metropolitan and other urban areas is mainly due to annual increases in the price indices for food (+ 2,2 percentage points), housing (+ 2,0 percentage points), transport (+ 1,2 percentage points), medical care and health expenses (+ 1,2 percentage points), personal care (+ 0,5 of a percentage point), fuel and power (+ 0,4 of a percentage point) and education (+ 0,4 of a percentage point). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (- 0,1 of a percentage point) (cf. table 13, p. 16).

From May 2002 to June 2002 the core index for the historical metropolitan and other urban areas increased by 1,1%. This monthly increase is due to monthly increases in the price indices for food (+ 0,5 of a percentage point), housing (+ 0,2 of a percentage point), medical care and health expenses (+ 0,2 of a percentage point), personal care (+ 0,2 of a percentage point) and furniture and equipment (+0,1 of a percentage point). These monthly increases were partially counteracted by a monthly decrease in the price index for transport (- 0,1 of a percentage point, mainly due to a 13c/l increase in the price of petrol) (cf. table 14, p. 16).

### Food inflation

The price index for food reflects an annual rate of increase of 16,7% at June 2002 (i.e. the CPI for food at June 2002 compared with that at June 2001). This rate is 1,9 percentage points higher than the corresponding annual rate of 14,8% at May 2002. From May 2002 to June 2002 this index increased by 1,8% and the seasonally adjusted index increased by 2,0%.

Annual increases occurred in the price indices for fats and oils (+21,0%), vegetables (+20,9%), grain products (+20,8%), milk, cheese and eggs (+16,0%), meat (+15,7%), fish and other seafood (+13,7%), "other" food products (+12,9%), fruit and nuts (+12,9%), sugar (+12,0%) and coffee, tea and cocoa (+11,0%) (cf. table 16, p. 18).

Monthly increases occurred in the price indices for "other" food products (+3,5%), grain products (+2,8%), milk, cheese and eggs (+2,1%), coffee, tea and cocoa (+1,7%), vegetables (+1,6%), fats and oils (+1,4%), meat (+0,8%) and fish and other seafood (+0,3%). These monthly increases were partially counteracted by a monthly decrease in the price index for fruit and nuts (-1,5%) (cf. table 16, p. 18).

### Price index for non-food items

The price index for non-food items shows an annual rate of increase of 7,2% at June 2002 (i.e. the non-food index at June 2002 compared with that at June 2001). This rate is 0,3 of a percentage point higher than the corresponding annual rate of 6,9% at May 2002. From May 2002 to June 2002 this index increased by 0,7% and the seasonally adjusted index increased by 0,6%.

Relatively large annual increases occurred in the price indices for medical care and health expenses (+12,4%), cigarettes, cigars and tobacco (+10,8%), personal care (+10,3%), housing (+9,9%), education (+8,2%), alcoholic beverages (+7,8%), reading matter (+7,8%) and fuel and power (+7,1%). These annual increases were partially counteracted by an annual decrease in the price index for clothing and footwear (-4,0%) (cf. table 16, p.18).

Relatively large monthly increases occurred in the price indices for personal care (+4,3%), furniture and equipment (+2,4%), medical care and health expenses (+1,9%) and recreation and entertainment (+1,1%). These monthly increases were partially counteracted by a monthly decrease in the price index for transport (-0,8%), mainly due to a 13c/l decrease in the price of petrol) (cf. table 16, p. 18).

### 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 June 2002 and the average index of the previous three months. This approach, when using seasonally adjusted data shows an increase of 14,9% (which is 0,8 of a percentage point lower than the corresponding rate of 15,7% for May 2002), while the unadjusted data also shows an increase of 16,0% (which is 0,9 of a percentage point lower than the corresponding rate of 16,9% for May 2002).

#### Areas indices

The other urban areas in the Eastern Cape, recorded the highest annual inflation rate of 11,1%, while the lowest annual inflation rate of 5,9% was recorded for the other urban areas in the Free State (cf. table 21, p. 23).

Regarding food prices, the highest annual inflation rate of 25,2% was recorded for the other urban areas in Mpumalanga, while the other urban areas in the Free State recorded the lowest annual increase of 12,0% (cf. table 22, p. 24).

### **Pensioners**

The annual inflation rate for pensioners in the historical metropolitan and other urban areas is 9,7% at June 2002 (i.e. the CPI for pensioners at June 2002 compared with that at June 2001) (cf. table 27, p. 28). The other urban areas in the Eastern Cape recorded the highest annual rate of increase of 12,7%, while the lowest annual rate of increase of 4,4% was recorded for the Bloemfontein area.

### **CPI FOR JULY 2002**

In addition to the usual price surveys for July 2002, a survey of medical aid tariffs and parking fees in certain areas will be undertaken, as it has come to Stats SA's attention that price changes in this item will be introduced during the first seven days of July 2002.

pp P J Lehohla

**Statistician-General: Statistics South Africa** 

### NOTES

**Forthcoming** issues

Issue July 2002 August 2002 September 2002

October 2002 November 2002

December 2002

**Expected date for publication** 

20 August 2002 17 September 2002 15 October 2002 19 November 2002 17 December 2002 28 January 2003

Purpose of the survey

The Survey of Consumer Prices is a monthly survey covering a sample of retailers operating in the South African economy. The results of the survey are used to compile the Consumer Price Index (CPI), an economic indicator, which indicates the changes in the prices of consumer goods and services. The annual percentage change in the Consumer Price Index indicates the inflation rate. These statistics are used by the private sector in the analysis of comparative business performance, as well as for contract price adjustments. It is also used in the determination of economic and social policy.

from 1995=100 to 2000=100

Rebasing the CPI Following international practice, the base year of the Consumer Price Index (CPI) has been changed from 1995 = 100 to 2000 = 100 with effect from February 2001.

**Updating the CPI** basket

The weighting system for the CPI is calculated, as from January 2002, from the Survey of Income and Expenditure of Households, which was conducted in October 2000. For more information on the detailed weights, see statistical releases P0141.5.

**CPIX** 

In other countries in the world such as New Zealand, Sweden and Australia, which adopted inflation targeting, different measures of the inflation rate have been derived and applied such as the Core index, and the CPI excluding interest rates on mortgage bonds (CPIX). Stats SA has accordingly calculated these measures and the CPIX, the most recent addition to the CPI suite, is included in this release (cf. table 2.2, p. 13).

Stats SA releases detailed figures on the CPIX (cf. tables 17 and 18 on pages 19 and 20). The detailed figures were introduced and published as from February 2000.

**Special Data** Dissemination Standard (SDDS) of the International **Monetary Fund** (IMF)

South Africa's data dissemination practices are assessed against the IMF's Special Data Dissemination Standard (SDDS). A detailed description of the SDDS can be found on the IMF's Dissemination Standards Bulletin Board on the internet at http://dsbb.imf.org. This is a "best practice" standard. It covers four sectors of the economy i.e. the real, fiscal, financial and external sectors, as well as population and identifies four dimensions i.e. data, access, integrity and quality, of data dissemination. For each of these dimensions, the SDDS prescribes two to four monitorable elements or good practices that can be observed, or monitored, by users of statistics. However, the IMF's monitoring of the SDDS as authorised by the IMF's Board of Executive Directors is limited to the dimensions of data i.e. coverage, periodicity and timeliness, and access i.e. advanced release calendar. It should also be noted that the SDDS is a disclosure standard, i.e. it focuses on encouraging the authorities to provide information to users, including information that will enable users to assess the data.

The four institutions responsible for the compilation and dissemination of the SDDS prescribed data categories are National Treasury, the South African Revenue Services (SARS), the South African Reserve Bank (SARB) and Statistics South Africa (Stats SA).

National Treasury is responsible for compiling and disseminating data on the national budget (budgetary central government operations). SARS is responsible for compiling and disseminating of data on international merchandise trade.

The SARB is responsible for compiling and disseminating data on national accounts, the analytical accounts of the banking sector, the analytical accounts of the central bank, general government operations, consolidated government operations, central government debt, interest rate, exchange rates, share price indices, balance of payments, the international investment position, international reserves and foreign currency liquidity.

Stats SA is responsible for compiling and disseminating data on the production index, national accounts, the production price index, consumer price index, labour market and population.

South Africa has subscribed to the SDDS since 2 August 1996 and started posting its metadata on 27 September 1996. South Africa met the SDDS specifications for the coverage, periodicity and timeliness of the data, and for the dissemination of advanced release calendars on 18 September 2000. The National Summary Data Page has been hyperlinked since 24 April 1997 and the Data Template on International Reserves and Foreign Currency Liquidity was disseminated on 1 September 2000.

South Africa is the only subscriber to the SDDS from the African continent.

Reports on Observance of Standards and Codes (ROSC) of the International Monetary Fund (IMF) The IMF has been working actively on producing Reports on Observance of Standards and Codes (ROSC) as a step to strengthen the architecture of the international financial system. The objectives of the ROSC include the promotion of increased transparency and encouragement of implementation of internationally accepted standards and codes. One of the ROSC components is the data dissemination module, which falls under the responsibility of the IMF's Statistics Department (STA). In this module, a country is assessed according to the SDDS.

The data dissemination module of the ROCS provides a summary of South Africa's practices on the coverage, periodicity and timeliness of the data categories specified in the IMF's SDDS, and on the practices on the provision of advance release calendars for these categories. It is complemented by an assessment of the quality of the Consumer Price Index, using the Data Quality Assessment Framework (DQAF) developed by the IMF's Statistics Department.

The DQAF undertakes to assess data quality under the following dimensions -

- Prerequisites of quality;
- Integrity;
- Methodological soundness;
- · Accuracy and reliability;
- Serviceability; and
- Accessibility

An IMF delegation visited South Africa from 7 to 18 May 2001 and produced a draft data ROSC for South Africa that will be finalised during the third quarter of 2001. This ROSC will indicate to which extent South Africa has observed the IMF's requirements.

13 Table 1 - Expenditure group and area indices of the Consumer Price Index and percentage change

Indices Percentage change between (2000=100) Expenditure May 2002 Jun 2001 group/Area and and indices Jun 2002 Jun 2002 .Tun May Tun 2001 2002 2002 Seasonally Actual Actual adjusted Expenditure group indices Very low expenditure 105,1 116,7 118,7 +1,7 +1,7 +12,9 Low expenditure 105,9 117,3 119,2 +1,6 +12,6 +1,6 Middle expenditure 105,8 117,6 +11,2 116,0 +1,4 +1,3 High expenditure 106.2 115,7 117,1 +1,2 +1,1 +10,3 Very high expenditure 106,1 113,8 114,6 +0,7 +0,6 +8,0 All expenditure groups -1) +0,9 +0,9 +8,9 Metropolitan areas 106,2 114,6 115,6 Metropolitan and other urban 105.7 +0.9 114.3 115.3 +0.8 +9.1 areas CPI excluding interest rates on mortgage bonds (CPIX) -117,2 106.8 116.1 +0.9 +9.7 +1.0 Metropolitan areas Metropolitan and other urban areas 106.3 115.6 116.7 +1.0 +1.0 +9.8 Core index -Metropolitan areas 107,5 116,0 117,3 +1,1 +1,0 +9,1 Metropolitan and other urban areas 106,9 115,3 116,6 +1,1 +1,0 +9,1 Food only index -Metropolitan areas 104,1 118,8 120,6 +1,5 +1,9 +15,9 Metropolitan and other urban 104,1 119,4 121,5 +1,8 +2,0 +16,7 areas CPI excluding food -106.6 +0.7 113.5 114.3 +0.7 +7.2 Metropolitan areas Metropolitan and other urban 106,2 113,0 113,8 +0,7 +0,6 +7,2 CPI excluding VAT 1) Metropolitan areas 106,2 115,6 +0,9 +0,9 +8,9 114,6 Metropolitan and other urban 105.7 areas 114.3 115.3 +0.9 +0.8 +9.1

Table 2.1 - The Consumer Price Index and the annual inflation rate on a monthly basis for the metropolitan areas Base year: 2000 = 100

Year	Index  Jan.	Feb.   M	Mar.   Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.  Ave.	
2000	Index  +96,9   % 1)  + 2,6	+96,6  + + 2,3  +	+97,6  +98, + 3,4  + 4,	9  +99,3  5  + 5,1	+99,9  + 5,2	100,8	101,2	101,7 + 6,9	102,0	102,2 +7,0	102,5   100,0 + 7,0   + 5,4	2)
2001	Index  103,8   % 1)  + 7,1	104,1   1 + 7,8   +	104,8  105, + 7,4  + 6,	3   105,7   5   + 6,4	106,2 +6,3	106,1	105,9	106,2	106,1	106,6	107,2   105,7 + 4,6   + 5,7	2)
2002	Index  109,0   % 1)  + 5,0	110,4  1	111,7  113,	7  114,6  0  + 8,4	115,6 + 8,9							2)

Table 2.2 - The Consumer Price Index excluding interest rates on mortgage bonds on a monthly basis for the metropolitan and other urban areas

Year   Index  Jan.	Feb.   Mar.   Apr.	May   Jun.   Ju	ul.   Aug.   Sep.	Oct.   Nov.   Dec.   Ave.
Index  +96,4	+96,7  +97,6  +98,	3   +99,4   +99,9   10	00,8  101,2  101,7	102,1   102,2   102,6   100,0   + 8,0   + 7,7   + 7,7   + 7,8 2)
2000   % 1)  + 7,0	+ 7,2  + 7,4  + 7,	7   + 7,9   + 7,9   +	7,9  + 8,1  + 8,1	
Index   103,8	104,1   104,9   105,	1   105,9   106,3   10	07,3   107,3   107,6	108,1   108,6   109,3   106,6   + 5,9   + 6,3   + 6,5   + 6,6 2)
2001   % 1)   + 7,7	+ 7,7   + 7,5   + 6,	7   + 6,5   + 6,4   +	6,4   +6,0   +5,8	
Index   111,2     2002   % 1)   + 7,1	111,9   113,3   114, + 7,5   + 8,0   + 8,	7  115,6  116,7  3  + 9,2  + 9,8	.:  .:  ::	2)

<sup>1) % =</sup> annual inflation rate

 $<sup>\</sup>overset{1}{ ext{1}})$  On theoretical grounds and due to rounding off, these rates of change can differ.

<sup>2)</sup> Average annual inflation rate

Table 3 - Contributions of different groups to the annual percentage change in the CPI for the metropolitan areas

Group Contribution at | Contribution at May 2002 June 2002 -----2,8 Food 3,3 Non-alcoholic beverages 0,1 0,1 Alcoholic beverages 0,1 0,1 Cigarettes, cigars and tobacco Clothing and footwear 0,1 0,1 -0,1 -0.1 Housing 1,9 2,1 Fuel and power 0,3 0,3 Furniture and equipment Household operation Medical care and health expenses 0,1 0,2 0,1 0,1 0,9 0,9 Transport Communication 0,1 0.2 Recreation and entertainment 0,1 0,1 Education 0,2 Personal care 0.2 0.3 Other 0.1 0.1 All groups 8,4 8,9

Table 4 - Contributions of different groups to the monthly percentage change in the CPI for the metropolitan areas

Group	Contribution at   May 2002	Contribution at   June 2002
Food Housing Furniture and equipment Medical care and health expenses Transport Personal care	0,2 0,2 0,0 0,0 0,4 0,0	0,3 0,2 0,1 0,2 -0,1 0,2
All groups	0,8	0,9

Table 5 - Contributions of different groups to the annual percentage change in the CPI for the metropolitan and other urban areas

Group	Contribution at   May 2002	Contribution at   June 2002
n4	3,3	3.7
Food	1	
Non-alcoholic beverages	0,1	0,1
Alcoholic beverages	0,1	0,1
Cigarettes, cigars and tobacco	0,1	0,1
Clothing and footwear	-0,1	-0,1
Housing	1,8	2,0
Fuel and power	0,2	0,2
Furniture and equipment	0,1	0,1
Household operation	0,2	0,2
Medical care and health expenses	0,8	0,9
Transport	1,2	0,9
Communication	0,1	0,1
Recreation and entertainment	0,1	0,1
Education	0,2	0,2
Personal care	0,3	0,4
Other	0,0	0,1
All groups	8,5	9,1

Table 6 - Contributions of different groups to the monthly percentage change in the CPI for the metropolitan and other urban areas

Group	Contribution at   May 2002	Contribution at   June 2002
Food Housing Furniture and equipment Medical care and health expenses Transport Personal care	0,1 0,2 0,0 0,0 0,4 0,0	0,4 0,2 0,1 0,1 -0,1 0,2
All groups	0,7	0,9

9,7

Table 7 - Contributions of different groups to the annual percentage change in the CPIX for the metropolitan areas

Group Contribution at | Contribution at May 2002 June 2002 3,2 3,7 Food Non-alcoholic beverages 0,1 0,1 Alcoholic beverages 0,1 0,1 Cigarettes, cigars and tobacco Clothing and footwear 0.1 0.1 -0,1 -0,1 Housing 2,0 0,3 Fuel and power 0,3 Furniture and equipment Household operation 0,1 0,2 0,2 Medical care and health expenses 0,9 Transport 1.5 1.1 Communication 0,2 0,1 Recreation and entertainment 0,1 0,1 Education 0,3 0,3 Personal care 0.3 0.4 Other 0,1 0,1

9,2

Table 8 - Contributions of different groups to the monthly percentage change in the CPIX for the metropolitan areas

All groups

Group	Contribution at   May 2002	Contribution at     June 2002
Food Housing Furniture and equipment Medical care and health expenses Transport Personal care	0,2 0,2 0,0 0,0 0,5 0,0	0,4 0,2 0,1 0,1 -0,1 0,2
All groups	0,9	0,9

Table 9 - Contributions of different groups to the annual percentage change in the CPIX for the metropolitan and other urban areas

Group	Contribution at   May 2002	Contribution at   June 2002
Food	3,7	4.3
Non-alcoholic beverages	0,1	0,1
Alcoholic beverages	0,1	0,1
Cigarettes, cigars and tobacco	0,1	0,2
Clothing and footwear	-0,1	-0,2
Housing	1,7	1,8
Fuel and power	0,2	0,2
Furniture and equipment	0,1	0,2
Household operation	0,2	0,2
Medical care and health expenses	0,9	1,0
Transport	1,2	1,0
Communication	0,2	0,1
Recreation and entertainment	0,1	0,1
Education	0,3	0,3
Personal care	0,3	0,4
Other	0,1	0,0
All groups	9,2	9,8

Table 10 - Contributions of different groups to the monthly percentage change in the CPIX for the metropolitan and other urban areas

Group	Contribution at   May 2002	Contribution at   June 2002
Food	0,2	0,5
Housing	0,2	0,2
Furniture and equipment	0,0	0,1
Medical care and health expenses	0,0	0,1
Transport	0,4	-0,1
Personal care	0,0	0,2
All groups	0,8	1,0

Table 11 - Contributions of different groups to the annual percentage change in the Core index for the metropolitan areas

Group	Contribution at   May 2002	Contribution at     June 2002
Food	1,2	1,5
Non-alcoholic beverages	0,1	0,1
Alcoholic beverages	0.2	0,2
Cigarettes, cigars and tobacco	0,2	0,2
Clothing and footwear	-0,1	-0,1
Housing	2,1	2,3
Fuel and power	0,4	0,4
Furniture and equipment	0,2	0,2
Household operation	0,2	0,3
Medical care and health expenses	1,1	1,3
Transport	1,8	1,4
Communication	0,2	0,2
Recreation and entertainment	0,1	0,2
Education	0,4	0,4
Personal care	0,4	0,4
Other	0,0	0,1
ļ		
All groups	8,5	9,1

 $\begin{tabular}{lll} Table 12 - Contributions of different groups to the monthly percentage \\ change in the Core index for the metropolitan areas \\ \end{tabular}$ 

Group	Contribution at   May 2002	Contribution at
Food	0,2	0,5
Housing	0,2	0,2
Furniture and Equipment	0,0	0,1
Medical care and health expenses	j 0,0	0,2
Transport	0,6	-0,1
Personal care	0,0	0,2
All groups	1,0	1,1

Table 13 - Contributions of different groups to the annual percentage change in the Core index for the metropolitan and other urban areas

Group	Contribution at   May 2002	Contribution at   June 2002
Food	1,8	2,2
Non-alcoholic beverages	0,1	0,1
Alcoholic beverages	0,2	0,1
Cigarettes, cigars and tobacco	0,2	0,1
Clothing and footwear	-0,2	-0,1
Housing	1,9	2,0
Fuel and power	0,3	0,4
Furniture and equipment	0,2	0,3
Household operation	0,3	0,3
Medical care and health expenses	1,1	1,2
Transport	1,5	1,2
Communication	0,2	0,2
Recreation and entertainment	0,1	0,1
Education	0,3	0,4
Personal care	0,3	0,5
Other	0,1	0,1
All groups	8,4	9,1

Table 14- Contributions of different groups to the monthly percentage change in the Core index for the metropolitan and other urban areas

Group	Contribution at   May 2002	Contribution at   June 2002
Food   Housing   Furniture and equipment   Medical care and health expenses   Transport   Personal care	0,2 0,2 0,0 0,0 0,5 0,0	0,5 0,2 0,1 0,2 -0,1 0,2
   All groups	0,9	   1,1

Table 15 - Consumer Price Index group and product indices and percentage change for the metropolitan areas

Indices Percentage change (2000=100) between Group/Product |Weights|-----May 2002 May Jun Jun and and 2002 2002 Jun 2002 2001 Jun 2002 -----| ------CPI: All items +0,9 100.00 106.2 114.6 115.6 +8.9 +1,7 +1,6 +1,4 Expenditure groups - Very low 0.91 105.1 116,7 117,3 116,0 116,7 118.7 +12.9 119,2 117,6 117,1 105.9 LOW 1,76 +12,6 Middle 6,36 105,8 +11,2 14,57 106,2 +1,2 +10,3 High +0,7 Very high 76,40 106,1 113,8 114,6 +8,0 Commodities 57,14 105,8 115,1 +1,0 Services 42,86 106,5 113,8 114,5 +0,6 +7,5 CPI: All items, excluding housing 77,86 106,5 114,5 115,5 +0,9 +8,5 113,5 CPI: All items, excluding food 79.01 106.6 114.3 +0,7 +7,2 Food 20,99 104,1 118,8 120,6 +1,5 +15,9 Expenditure groups - Very low 51.39 102,9 119,4 121.7 +1,9 +18.3 Low 49.01 103.5 120.3 122.3 +1,7 +18.2 Middle 43,39 103,9 119,7 121,6 +1,6 +17,0 33,07 High +1,6 +16,3 Very high 15.82 104.1 118,5 120.2 +1,4 +15,5 121,0 11,91 105,9 118,2 +2,4 9,08 102,3 119,4 120,0 +0,5 +17,3 Unprocessed 3,81 103,4 119,3 122,6 +2,8 +18,6 Grain products Meat 5,66 105,3 121,0 121,6 +0,5 +15,5 Fish and other seafood 0,69 109,7 120,3 119,9 -0,3 +9,3 Milk, cheese and eggs 1.96 111.2 126.6 129.7 +2.4 +16.6 Fats and oils 124,7 +0,6 0,76 105,0 124,0 +18,8 Fruit and nuts 1,09 97,4 110,7 108,6 -1,9 +11,5 Vegetables 2,00 96,0 115,6 117,1 +1,3 +22.0 Sugar Coffee, tea and cocoa 0,50 1,07 105.7 118,0 118.2 +0,2 +11,8 104,5 115,4 +1,9 +10,4 113,3 3,45 105,0 113,3 117,2 +3,4 +11,6 Other Non-alcoholic beverages 1,10 109.4 117.7 117.9 +0.2 +7.8 Alcoholic beverages 1,40 108,8 117,2 117,5 +0,3 +8,0 Cigarettes, cigars and tobacco 1.14 110.1 121.3 121.4 +0.1 +10.3 Clothing and footwear 3,25 101,0 96,8 97,4 +0,6 -3,6 Clothing 2,04 102,0 95,8 96,8 +1,0 -5,1 Footwear 1,21 97,8 97,7 97,7 0,0 -0,1 Housing 104,9 22,14 114,0 Fuel and power 3,49 104,2 113,0 113,2 +0,2 +8,6 104,9 110,1 112,5 +2,2 +7,2 Furniture and equipment 2,53 0,95 107,4 113,1 Furniture 111,3 113, 118,3 Appliances 0.80 102.8 115,4 +2,5 +15,1 Other household equipment and textiles 103.4 103,0 105,6 +2,5 108.0 111.8 112.1 +0.3 +3.8 4.82 Household operation Household consumables 1.25 108.1 118.9 119.5 +0.5 +10.5 Domestic workers 3,48 108,1 109,3 109,4 +0,1 +1,2 Other household services 0,09 103.9 107,1 107,1 0,0 +3,1 Medical care and health expenses 7,15 112,4 124,1 126,4 +1,9 +12,5 Transport 14,84 108,7 117.2 116,2 -0,9 +6,9 5,95 7,05 105,5 115,0 114,6 123,4 114,6 121,3 0,0 -1,7 Vehicles +8,6 Running cost +5.5 Petrol 118,9 128,2 124,3 -3,0 +4,5 Diesel 112.6 120,6 121.8 +1,0 +8.2 Public and hired transport 1.84 102.8 105,7 105,6 -0,1 +2,7 Communication 2.98 105,8 111,0 111.0 0,0 +4,9 Recreation and entertainment 3.31 102,6 105.7 106.9 +1,1 +4,2 116,0 0,39 +0.4 +8.1 Reading matter 107.8 116.5

121,2

113,2

105,3

112,7

107,9

101,3

3,67

3,32

Education

Other

Personal care

121,2

117,9

105,4

0,0

+4,2

+0,1

+7,5

+9,3

+4,0

Table 16 - Consumer Price Index group and product indices and percentage change for the metropolitan and other urban areas

	         		Indices (2000=100)	Percentage change between		
Group/Product	Weights        	Jun 2001	     May   2002	     Jun   2002	   May 2002   and   Jun 2002	   Jun 2001   and   Jun 2002
CPI: All items	100,00	105,7	114,3	115,3	+0,9	+9,1
Expenditure groups - Very low Low Middle High Very high	1,39 2,26 8,11 16,96 71,28	104,7 105,1 105,2 105,8 105,8	117,5 116,6 115,6 114,9 113,7	119,5 118,5 117,2 116,3 114,5	+1,7 +1,6 +1,4 +1,2 +0,7	+14,1 +12,7 +11,4 +9,9 +8,2
Commodities   Services	59,42	105,4 106,5	115,0 113,6	116,4 114,3	+1,2+0,6	+10,4 +7,3
CPI: All items, excluding housing	79,30	106,1	114,4	115,5	+1,0	+8,9
CPI: All items, excluding food	76,98	106,2	113,0	113,8	+0,7	+7,2
   Food	23,02	104,1	119,4	121,5	+1,8	+16,7
Expenditure groups - Very low Low Middle High Very high	51,24   49,72   43,93   33,68   16,69	102,8 103,3 103,7 104,1 104,3	119,9 120,1 120,2 119,8 119,1	122,3 122,5 122,5 122,0 121,0	+2,0 +2,0 +1,9 +1,8 +1,6	+19,0 +18,6 +18,1 +17,2 +16,0
Processed Unprocessed	12,81     10,21	105,7 102,5	118,8 120,2	121,4 121,6	+2,2+1,2	+14,9 +18,6
Grain products Meat Fish and other seafood Milk, cheese and eggs Fats and oils Fruit and nuts Vegetables Sugar Coffee, tea and cocoa Other	4,34 6,23 0,70 2,10 0,84 1,13 2,18 0,62 1,14 3,74	109,0 111,2 104,0 97,6	121,1 121,4 123,5 126,3 124,1 111,9 113,9 118,7 113,7 115,4	124,5 122,4 123,9 129,0 125,8 110,2 115,7 118,7 115,6 119,4	+2,8 +0,8 +0,3 +2,1 +1,4 -1,5 +1,6 0,0 +1,7 +3,5	+20,8 +15,7 +13,7 +16,0 +21,0 +12,9 +20,9 +11,0 +11,0 +12,9
Non-alcoholic beverages Alcoholic beverages	1,13	109,6 108,3	116,4 116,5	116,7 116,8	+0,3	+6,5 +7,8
Cigarettes, cigars and tobacco	1,21	111,5	123,4	123,5	+0,1	+10,8
Clothing and footwear Clothing Footwear	3,64 2,27 1,37	100,3 101,4 97,8	95,7 95,3 96,1	96,3 95,9 96,4	+0,6 +0,6 +0,3	-4,0 -5,4 -1,4
Housing Fuel and power	20,70	104,7 104,1	114,2 111,4	115,1 111,5	+0,8	+9,9 +7,1
Furniture and equipment Furniture Appliances Other household equipment and textiles	2,82   1,08   0,84   0,90	104,6 106,2 103,5	109,3 110,3 115,0	111,9 112,3 117,6	+2,4 +1,8 +2,3 +2,9	+7,0 +5,7 +13,6 +2,3
Household operation Household consumables Domestic workers Other household services	4,68 1,34 3,22 0,12	108,3 107,9 108,5 103,9	113,3 121,3 110,1 107,0	113,4 121,5 110,3 107,0	+0,1 +0,2 +0,2 0,0	+4,7 +12,6 +1,7 +3,0
Medical care and health expenses	6,90	112,3	123,8	126,2	+1,9	+12,4
Transport Vehicles Running cost Petrol Diesel Public and hired transport	13,72 5,11 6,56	107,8 104,3 114,1 115,6 114,2 102,4	115,7 112,5 122,1 124,8 135,9 104,6	114,8 112,6 120,2 121,4 140,0 104,6	-0,8 +0,1 -1,6 -2,7 +3,0 0,0	+6,5 +8,0 +5,3 +5,0 +22,6 +2,1
Communication   Recreation and entertainment   Reading matter   Education   Personal care   Other	2,86 3,04 0,36 3,38 3,92 3,26	105,9 102,1 107,7 112,6 107,6 101,0	111,2 105,4 115,7 121,8 113,8 104,7	111,2 106,6 116,1 121,8 118,7 104,9	0,0 +1,1 +0,3 0,0 +4,3 +0,2	+5,0 +4,4 +7,8 +8,2 +10,3 +3,9

Table 17 - Consumer Price Index, excluding interest rates on mortgage bonds (CPIX), group and product indices and percentage change for the metropolitan areas

Indices Percentage change (2000=100) between Group/Product Weights May 2002 Jun 2001 
 Jun
 May
 Jun
 and
 and

 2001
 2002
 2002
 Jun 2002
 Jun 2002
 106,8 116,1 117,2 CPI: All items +0,9 +9,7 100,00 Expenditure groups - Very low 0,91 105,2 117,0 119,0 +1,7 +13,1 105,8 117,6 +1,6 1,76 119,5 +12,9 Low Middle 6,36 106,2 117,2 118,8 +1,4 +11,9 High 14.57 106.8 117,1 118.6 +1.3 +11.0 Very high 76.40 107.1 115.8 116.8 +0.9 +9.1 Commodities 64.50 105.8 115,1 116.2 +1.0 +9.8 118,7 Services 35,50 108.6 117.7 +0,8 +9.3 CPI: All items, excluding housing 87,90 106,7 114,9 115,8 +0,8 +8,5 107,7 115,4 76.29 116,4 +0.9 +8.1 CPI: All items, excluding food 23,71 104,1 118,9 120,7 +1,5 +15,9 51,39 102,9 119,4 121,7 Expenditure groups - Very low +18.3 +1.9 49,01 103,5 120,2 122,3 +1,7 +18,2 Low Middle 43,39 103,9 119,8 121,7 +1,6 +17,1 High Very high 33.07 104.0 119.0 120.9 +1,6 +16.3 104.2 15.82 118.5 120.3 +1.5 +15.5 Processed 13,45 105.9 118,2 121.0 +2,4 +14.3 +0,5 120,0 Unprocessed 10.26 102,3 119,4 +17,3 +2,8 Grain products 4.31 103.4 119,3 122,6 +18,6 6,40 105,3 121,0 121,7 +0,6 +15,6 Fish and other seafood 0.76 -0,4 +2,4 109.7 120,4 119.9 +9.3 Milk, cheese and eggs +16,6 2,21 126,7 129,8 111,3 Fats and oils 0,86 105,0 124,0 124,7 +0,6 +18,8 Fruit and nuts 1,23 97.4 110,7 108,6 -1,9 +11.5 115,6 Vegetables 2.26 96.0 117.0 +1,2 +21.9118,2 0,57 105,7 118,0 +0,2 +11,8 Sugar Coffee, tea and cocoa 1,21 104,5 113,3 115,4 +1,9 +10,4 Other 3.90 105.0 113.3 117.2 +3,4 +11.6 117,, 117,2 Non-alcoholic beverages 1,24 109,4 117,9 +0,2 +7,8 117,5 Alcoholic beverages 1,58 108,8 +0,3 +8,0 121,3 121,4 +0,1 +10,3 Cigarettes, cigars and tobacco 1.29 110.1 96,7 Clothing and footwear 3,67 100,9 97,3 +0,6 -3,6 Clothing 2,31 102,1 95,9 97,6 96,9 97,7 +1,0 -5,1 1,36 97.8 -0.1 Footwear +0.1 108.8 124.9 127.2 +1.8 +16.9 Housing 12.10 113,2 Fuel and power 104,2 3,94 113,0 +0,2 +8,6 112,5 Furniture and equipment 2.86 104.9 110.1 +2,2 +7.2 Furniture 1.08 107.4 111.3 113.1 +1,6 +5.3 118,3 +15,1 Appliances 0,90 102,8 115,4 +2,5 Other household equipment and textiles 0,88 103,4 103,0 105,6 +2,5 +2,1 Household operation 108,1 111,9 112,2 +3,8 5,45 +0.3 Household consumables 1,42 108,0 118,9 119,4 +0,4 +10,6 Domestic workers 3,93 108.1 109,3 109.4 +0,1 +1,2 Other household services 0,10 103,8 107,0 107,0 0,0 +3,1 Medical care and health expenses 8,07 113,6 125,3 127,7 +1,9 +12,4 108.8 117.2 -0.9 Transport. 16.75 116.2 +6.8 Vehicles 6,72 7,96 105.6 114,7 114.8 +0,1 +8.7 123,4 Running cost 115,0 -1,6 +5,6 Public and hired transport 2.07 102.8 105.7 105.6 -0,1 +2,7 0,0 +4,9 Communication 3,36 105,8 111,0 111,0 Recreation and entertainment 3,73 102,6 105,7 106,9 +4,2 +1,1 Reading matter 0.43 107,8 116,1 116.5 +0,3 +8,1 3.93 112.7 +7.6 121.3 121,3 0.0

107,9 Personal care 4,14 113,2 +4,2 +9,3 101,3 Other 3,75 105.2 105,3 +0,1 +3,9

Education

Table 18 - Consumer Price Index, excluding interest rates on mortgage bonds (CPIX), group and product indices and percentage change for the metropolitan and other urban areas

Construction to			Indices (2000=100)		Percenta	age change
Group/Product 	Weights	Jun 2001	     May   2002	     Jun   2002	   May 2002   and   Jun 2002	Jun 2001 and Jun 2002
CPI: All items	100,00	106,3	115,6	116,7	+1,0	+9,8
Expenditure groups - Very low Low Middle High Very high	1,39 2,26 8,11 16,96 71,28	104,8 105,1 105,4 106,1 106,7	118,0 117,1 116,3 116,1 115,2	119,9 119,1 118,0 117,6 116,2	+1,6 +1,7 +1,5 +1,3 +0,9	+14,4 +13,3 +12,0 +10,8 +8,9
Commodities   Services	66,24	105,4 108,1	115,0 116,7	116,3 117,6	+1,1	+10,3 +8,8
CPI: All items, excluding housing	88,43	106,1	114,4	115,5	+1,0	+8,9
CPI: All items, excluding food	74,34	107,1	114,5	115,5	+0,9	+7,8
Food	25,66	104,1	119,5	121,5	+1,7	+16,7
Expenditure groups - Very low Low Middle High Very high	51,24 49,72 43,93 33,68 16,69	102,8 103,3 103,7 104,1 104,3	120,0 120,1 120,1 119,9 119,1	122,3 122,5 122,4 122,0 121,0	+1,9 +2,0 +1,9 +1,8 +1,6	+19,0 +18,6 +18,0 +17,2 +16,0
Processed Unprocessed	14,26	105,7 102,5	118,8 120,2	121,4 121,6	+2,2+1,2	+14,9 +18,6
Grain products Meat Fish and other seafood Milk, cheese and eggs Fats and oils Fruit and nuts Vegetables Sugar Coffee, tea and cocoa Other  Non-alcoholic beverages	4,84 6,95 0,78 2,34 0,93 1,26 2,43 0,69 1,27 4,17	105,8 109,0 111,2 104,0 97,6 96,6 106,0 104,1 105,8	121,5 123,6 126,3 124,2 111,8 115,0 118,7 113,7	124,5 122,5 123,9 129,0 125,8 110,2 116,8 118,7 115,6 119,4	+2,8 +0,8 +0,2 +2,1 +1,3 -1,4 +1,6 0,0 +1,7 +3,5	+20,8 +15,8 +13,7 +16,0 +21,0 +12,9 +20,9 +12,0 +11,0 +12,9 +6,5
Alcoholic beverages	1,70	108,3	116,4 116,5	116,8	+0,3	+7,8
Cigarettes, cigars and tobacco	1,35			123,6	i	+10,9
Clothing and footwear   Clothing   Footwear	4,06 2,53 1,53	100,3 101,4 97,8	95,7 95,3 96,1	96,3 95,9 96,4	+0,6 +0,6 +0,3	-4,0 -5,4 -1,4
Housing Fuel and power	11,57		123,3 111,4	125,2 111,5	+1,5 +0,1	+15,9 +7,1
Furniture and equipment Furniture Appliances Other household equipment and textiles	3,15   1,21   0,94   1,00	104,6 106,2 103,5		111,9 112,3 117,6	+2,3 +1,8 +2,3 +2,9	+7,0 +5,7 +13,6 +2,3
Household operation   Household consumables   Domestic workers   Other household services	5,22   1,50   3,59   0,13	108,3 107,9 108,5 103,9	113,3 121,4 110,1 107,0	113,5 121,5 110,3 107,0	+0,2 +0,1 +0,2 0,0	+4,8 +12,6 +1,7 +3,0
   Medical care and health expenses	7,70	113,1	124,7	127,1	+1,9	+12,4
Transport   Vehicles   Running cost   Public and hired transport	15,30 5,69 7,32 2,29	107,8 104,3 114,1 102,4	115,7 112,5 122,1 104,6	114,8 112,6 120,2 104,6	-0,8 +0,1 -1,6 0,0	+6,5 +8,0 +5,3 +2,1
Communication   Recreation and entertainment   Reading matter   Education   Personal care   Other	3,19 3,39 0,40 3,77 4,37 3,63	105,9 102,1 107,7 112,6 107,6 101,0	111,1 105,4 115,7 121,8 113,8 104,7	111,1 106,6 116,0 121,8 118,8 104,9	0,0 +1,1 +0,3 0,0 +4,4 +0,2	+4,9 +4,4 +7,7 +8,2 +10,4 +3,9

Table 19 - Consumer Price Index group and product indices according to COICOP<sup>1)</sup> and percentage change for the metropolitan areas

Indices Percentage change (2000=100) between Group/Product | Weights | ------May 2002 Jun and and Tun May 2002 Jun 2002 2001 2002 Jun 2002 -----| ------CPI: All items +0,9 100,00 106.2 114.6 115.6 +8.9 117,3 116,0 115,7 Expenditure groups - Very low 0.91 105.1 116,7 118.7 +1.7 +12.9 105.9 +1,6 +1,4 LOW 1.76 117,3 117,6 117.1 119,2 +12,6 Middle 6,36 105,8 +11,2 14,57 106,2 117,1 +1,2 +10,3 High Very high 76,40 106,1 113,8 114,6 +0,7 +8,0 57,14 105,8 Commodities 115,1 +1,0 Services 42,86 106,5 113,8 114,5 +0,6 +7,5 CPI: All items, excluding housing 77,86 106,5 114,5 115,5 +0,9 +8,5 CPI: All items, excluding food 80.08 106.6 113.5 114.3 +0,7 +7,2 +1,4 Food, beverages and tobacco 24,63 105,1 119,1 120,8 +14,9 Food excluding coffee, tea and cocoa 19,92 104,1 118,9 120,8 +1,6 +16,0 Grain products 3,81 103,4 119,3 122,6 +2,8 +18,6 Meat 5,66 105,3 121,0 121,6 +0,5 +15,5 Fish and other seafood 0.69 109,7 120,3 119.9 -0,3 +9.3 +2.4 +16.6 Milk, cheese and eggs 1.96 111.2 126.6 129.7 Fats and oils 0,76 124,0 +0,6 +18,8 Fruit and nuts 1,09 97,4 110,7 108,6 -1,9 +11,5 Vegetables 2.00 96.0 115,6 117.1 +1,3 +22.0 0.50 105.7 118.0 118.2 +0.2 +11.8 Sugar Other 3,45 105,0 113,3 117,2 +3,4 +11,6 +0,7 107.9 116,2 117.0 +8,4 3.57 Beverages Coffee, tea and cocoa 104,5 +10,4 1,07 113,3 115,4 +1,9 Non-alcoholic beverages 1,10 109.4 117,7 117,9 +0,2 +7,8 Alcoholic beverages 1,40 108.8 117.2 117,5 +0,3 +8,0 Cigarettes, cigars and tobacco 1,14 110,1 121,3 121,4 +0,1 +10,3 3,25 101.0 96.8 97.4 Clothing and footwear +0,6 -3.6 Clothing 2,04 102,0 95,8 96,8 +1,0 -5,1 1,21 97,8 97,7 97,7 0,0 -0,1 104,9 +0,9 +9,7 Housing, water, electricity, gas and other fuels 25.63 114.1 115.1 22,14 104.9 114,0 115,2 +1,1 +9,8 Housing Fuel and power 104,2 113,0 113,2 +0,2 +8,6 3,49 Furnishings, household equipment and routine maintenance of the house 107,1 7,35 111,5 +1,2 +5,3 Furniture and equipment 2,53 104,9 110,1 112,5 +2,2 +7,2 0.95 107.4 +1.6 +5.3 Furniture 111.3 113.1 102,8 +2,5 +15,1 Appliances 0,80 115,4 118,3 Other household equipment and textiles 0.78 103.4 103,0 105,6 +2,5 +2.1 Household operation 111,8 118,9 +0,3 +0,5 4,82 108.0 112.1 +3,8 1,25 +10,5 Household consumables 108,1 119,5 Domestic workers 108,1 109,3 109,4 +0,1 +1,2 Other household services 0.09 103.9 107.1 107.1 0.0 +3.1 Health (Medical care and health expenses) 7.15 112,4 124,1 126,4 +1,9 +12,5 14.84 108.7 117.2 116.2 -0.9 Transport +6.9 Vehicles 5,95 105,5 114,6 114,6 0,0 +8,6 7,05 115,0 123,4 -1,7 Running cost 121,3 +5,5 Petrol 118,9 128,2 124,3 -3,0 +4,5 Diesel 112,6 120,6 121.8 +1,0 +8.2 Public and hired transport 1.84 105.6 102.8 105.7 -0.1 +2.7 Leisure, entertainment and culture 3.70 104.0 108.4 109.4 +0.9 +5.2 Recreation and entertainment 3.31 102.6 105.7 106.9 +1.1 +4.2 Reading matter 0,39 107,8 116,0 116,5 +0,4 +8,1 Education 3.48 112.7 121.2 121,2 0,0 +7.5 9,97 104,1 108,6 109,9 +0,7 Miscellaneous goods and services +8,4 Communication 2,98 105,8 111,0 111,0 0,0 +4,9 Personal care 3.67 107.9 113.2 117.9 +4,2 +9.3

3.32

101.3

105.3

105.4

+0.1

+4.0

Other

<sup>1)</sup> COICOP = Classification of individual consumption by purpose

Table 20 - Consumer Price Index group and product indices according to  $COICOP^{1)}$  and percentage change for the metropolitan and other urban areas

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		   Indices   (2000=100)			Percenta   between	age change
Group/Product	Weights          	Jun 2001	     May   2002	     Jun   2002	May 2002 and Jun 2002	   Jun 2001   and   Jun 2002
CPI: All items	100,00	105,7	114,3	115,3	+0,9	+9,1
Expenditure groups - Very low Low Middle High Very high	1,39     2,26     8,11     16,96     71,28	105 1	117,5 116,6 115,6 114,9 113,7	119,5 118,5 117,2 116,3 114,5	+1,7 +1,6 +1,4 +1,2 +0,7	+14,1 +12,7 +11,4 +9,9 +8,2
1 0	į į		115,7	114,5	j	+10.4
Commodities Services	59,42   40,58		115,0 113,6	116,4 114,3		+10,4
CPI: All items, excluding housing	79,30	106,1	114,4	115,5	+1,0	+8,9
CPI: All items, excluding food	78,12	106,2	113,0	113,8	+0,7	+7,2
Food, beverages and tobacco	   26,88	104,9	119,5	121,3	   +1,5	+15,6
Food excluding coffee, tea and cocoa	21,88	104,1	119,6	121,6	+1,7	+16,8
Grain products Meat Fish and other seafood Milk, cheese and eggs Fats and oils Fruit and nuts Vegetables Sugar Other		105,8 109,0 111,2 104,0 97,6 95,7 106,0 105,8	123,5 126,3 124,1 111,9 113,9 118,7	/ -	+2,8 +0,8 +0,3 +2,1 +1,4 -1,5 +1,6 0,0 +3,5	+20,8 +15,7 +13,7 +16,0 +21,0 +12,9 +20,9 +12,0 +12,9
Beverages Coffee, tea and cocoa Non-alcoholic beverages Alcoholic beverages	3,79   1,14   1,13   1,52	109,6	115,6 113,7 116,4 116,5	116,4 115,6 116,7 116,8	+0,7 +1,7 +0,3 +0,3	+8,4 +11,0 +6,5 +7,8
Tobacco Cigarettes, cigars and tobacco	1,21	111,5	123,4	123,5	+0,1	+10,8
Clothing and footwear Clothing Footwear	3,64   2,27   1,37	101,4 97,8	95,3 96,1	96,3 95,9 96,4		-4,0 -5,4 -1,4
Housing, water,electricity, gas and other fuels Housing Fuel and power	24,54   20,70   3,84	104,6 104,7 104,1	113,7 114,2 111,4	114,6 115,1 111,5	+0,8 +0,8 +0,1	+9,6 +9,9 +7,1
Furnishings, household equipment and routine maintenance of the house Furniture and equipment Furniture Appliances Other household equipment and textiles Household operation Household consumables Domestic workers Other household services	7,50 2,82 1,08 0,84 0,90 4,68 1,34 3,22 0,12	104,6 106,2	112,1 109,3 110,3 115,0 102,4 113,3 121,3 110,1	113,4 111,9 112,3 117,6 105,4 113,4 121,5 110,3 107,0	+1,2 +2,4 +1,8 +2,3 +2,9 +0,1 +0,2 +0,2 0,0	+5,9 +7,0 +5,7 +13,6 +2,3 +4,7 +12,6 +1,7 +3,0
Health (Medical care and health expenses)	6,90	112,3	123,8	126,2	+1,9	+12,4
Transport Vehicles Running cost Petrol Diesel Public and hired transport	13,72   5,11   6,56   2,05	107,8 104,3 114,1 115,6 114,2 102,4	115,7 112,5 122,1 124,8 135,9 104,6	114,8 112,6 120,2 121,4 140,0 104,6	-0,8 +0,1 -1,6 -2,7 +3,0 0,0	+6,5 +8,0 +5,3 +5,0 +22,6 +2,1
Leisure, entertainment and culture Recreation and entertainment Reading matter	3,40 3,04 0,36	103,6 102,1 107,7	108,0 105,4 115,7	109,0 106,6 116,1	+0,9 +1,1 +0,3	+5,2 +4,4 +7,8
Education	3,38	112,6	121,8	121,8	0,0	+8,2
Miscellaneous goods and services Communication Personal care Other	10,04   2,86   3,92   3,26	104,1 105,9 107,6 101,0	108,8 111,2 113,8 104,7	110,0 111,2 118,7 104,9	+0,7 0,0 +4,3 +0,2	+8,4 +5,0 +10,3 +3,9

<sup>1)</sup> COICOP = Classification of individual consumption by purpose

Table 21 - Consumer Price Index and percentage change according to urban area

Urban area	        Weights		Indices (2000=100)	Percentage change between		
Jiban area	Weights   	Jun 2001	   May   2002	Jun   2002	May 2002   and   Jun 2002	Jun 2001   and   Jun 2002
Western Cape	17,62	105,8	115,4	116,4	+0,9	+10,0
Cape Peninsula	11,88	106,3	115,1	116,0	+0,8	+9,1
Other urban areas	5,74	105,4	115,2	116,6	+1,2	+10,6
   Eastern Cape	5,40	105,4	115,5	116,5	+0,9	+10,5
Port Elizabeth/Uitenhage	2,28	105.7	115.4	116.2	+0.7	+9,9
East London	1,10	106,1	114,6	115.7	+1,0	+9.0
Other urban areas	2,02	105,4	115,9	117,1	+1,0	+11,1
   Northern Cape	   1,01	106,7	115,3	116,5	+1,0	+9,2
Kimberley	0,41	106,5	116,7	117,8	+0,9	+10,6
Other urban areas	0,60	106,8	115,2	116,4	+1,0	+9,0
   Free State	   4,79	104.9	111.1	111.8	   +0,6	+6,6
Bloemfontein	1,59		110.9	111.7	+0.7	+6,2
Free State Goldfields	1,22	105,8	112.7	113.6	+0.8	+7,4
Other urban areas	1,98	104,7	110,4	110,9	+0,5	+5,9
   KwaZulu-Natal	   20,47	106.1	114.3	115.3	+0.9	+8.7
Durban/Pinetown	7,19	106,8	114,0	115,0	+0,9	+7,7
Pietermaritzburg	1,34	105,9	116,1	117,4	+1,1	+10,9
Other urban areas	11,94	105,6	114,0	115,1	+1,0	+9,0
North West	2,61	105,5	113,1	113,7	+0,5	+7,8
   Gauteng	42,98	105,8	114,1	115,2	+1,0	+8,9
Pretoria/Centurion/Akasia	11,13	106,2	114,8	115,3	+0,4	+8,6
Witwatersrand	24,53	106,0	114,3	115,6	+1,1	+9,1
Other urban areas	7,32	105,3	113,0	114,4	+1,2	+8,6
   Mpumalanga	3,63	106,0	115,3	116,5	+1,0	+9,9
Nelspruit/Witbank	1,12	107,2	117,0	117,5	+0,4	+9,6
Other urban areas	2,51	105,8	114,7	116,1	+1,2	+9,7
   Limpopo Province	1,49	106,0	114,3	115,3	+0,9	+8,8
Polokwane (Pietersburg)	0,21	104,7	111,3	111,9	+0,5	+6,9
Other urban areas	1,28	106,0	114,4	115,7	+1,1	+9,2
CPI for the metropolitan and other urban areas	100,00	105,7	114,3	115,3	+0,9	+9,1
CPI for the  metropolitan areas	64,02	106,2	114,6	115,6	+0,9	+8,9

Table 22 - Food price index and percentage change according to urban area

Indices Percentage change (2000=100) between Urban area | May 2002 | Jun 2001 and and Jun 2002 Jun 2002 2001 2002 2002 +14,6 104.4 117,6 119,6 +1.7 Western Cape 17.88 Cape Peninsula 105,2 10,85 118,8 120,5 +1,4 +14,5 117,4 Other urban areas 7,03 104,0 120,0 +2,2 +15,4 121,9 122,1 119,2 123,6 5,56 102,7 124,1 +1,8 +20,8 Eastern Cape Port Elizabeth/Uitenhage 2,28 103,7 123,8 +1,4 +19,4 East London 0,76 103,5 122,7 +2,9 +18,6 123,6 Other urban areas 2.52 102.2 125.9 +1.9 +23.2 1,21 105,2 118,4 +1,6 Northern Cape 116,5 Kimberley 0,43 105,6 120.2 122,1 +1.6 +15.6 116,2 Other urban areas 0,78 105,0 118,0 +1,5 +12,4 Free State 4,92 105,8 118,4 120,0 +1,4 +13,4 122,8 Bloemfontein 1,51 106,0 125,8 +2,4 +18,7 Free State Goldfields Other urban areas 1,05 106,1 118.6 120,4 +1,5 +13.5 117,6 2,36 105,7 118,4 +0,7 +12,0 126,8 +1.8 +19.5 21.35 106.1 124.5 KwaZulu-Natal 106,9 122,9 125,5 Durban/Pinetown +2,1 +17,4 6,78 Pietermaritzburg 1,68 105,9 123,6 126,1 +2,0 +19,1 Other urban areas 12,89 105,8 125,4 127,5 +1,7 +20,5 North West 2,72 103,7 119,0 120,3 +1,1 +16,0 Gauteng 41,19 103,0 117,7 119,6 +1,6 +16,1 Pretoria/Centurion/Akasia 8,22 104,3 102,9 118,8 119,6 +0,7 +14,7 23,82 Witwatersrand 117.0 118.9 +1.6 +15.5 +2,4 Other urban areas 9,15 102,7 118,8 121,7 +18,5 3.65 103,1 124.6 127,8 +2,6 +24.0 Mpumalanga Nelspruit/Witbank 127,1 0,90 107,5 125,8 +1,0 +18,2 Other urban areas 2,75 102,4 124,4 128,2 +3,1 +25,2 1,52 127,0 106.5 124.6 +1.9 +19.2 Limpopo Province Polokwane (Pietersburg) 0,13 105,5 126,9 128,7 +1,4 +22,0 Other urban areas 106,7 124,0 126,8 +2,3 +18,8 CPI for the metropolitan and other urban areas 100,00 104,1 119,4 121,5 +1,8 +16,7 CPI for the

Table 23 - Consumer Price Index excluding housing and percentage change according to urban area

Indices Percentage change (2000=100) |Weights |------| Urban area May 2002 Jun 2001 May and and Jun Jun 2001 2002 2002 Jun 2002 Jun 2002 115,2 +0,9 +8.6 Western Cape 17.28 106,1 114,2 Cape Peninsula 11.27 106.9 114.6 115.4 +0.7 +8.0 Other urban areas 105,7 113,6 +1,2 +8,8 6,01 115,0 105.6 1.15.3 116,4 Eastern Cape 5,90 +1,0 +10.2 Port Elizabeth/Uitenhage 106.2 117,2 115,6 2,22 116,4 +0,7 +10.4 East London 1,60 106,6 114,3 +1,1 +8,4 Other urban areas 2,08 105,5 115,8 117,2 +1,2 +11,1 113,7 115,3 0,73 106,8 114,9 +7,6 Northern Cape +1.1 Kimberley 116,5 +1,0 115,3 113,7 +7,5 Other urban areas 0.62 106,9 114.9 +1,1 Free State 4,87 105,2 110,6 111,4 +0,7 +5,9 Bloemfontein 1,46 105,5 111,3 112,4 +1,0 Free State Goldfields 1,26 106,4 112,6 113,7 +1,0 +6.9 Other urban areas 2,15 105,1 109,8 110,3 +0,5 +4,9 KwaZulu-Natal 20,43 106,5 115,5 116,8 +1,1 +9,7 7,09 1,36 116,0 117,8 Durban/Pinetown 106,9 114.8 +1,0 +8.5 106,0 Pietermaritzburg 116,3 +1,3 +11,1 Other urban areas 11,98 106,3 115,7 117,0 +1,1 +10,1 North West 2,59 106,2 114,9 115,7 +0,7 +8,9 +0,9 42,97 106,2 114,1 115,1 +8,4 Pretoria/Centurion/Akasia 11,28 106,3 114,5 115,0 +0,4 +8,2 Witwatersrand 24,08 106,3 114,0 115,1 +1,0 +8.3 Other urban areas 7.61 105.4 113.4 114.9 +1.3 +9.0 118,0 +10.8 3,69 106.5 116.6 +1.2 Mpumalanga Nelspruit/Witbank 107.9 1.04 117.5 118.2 +0.6 +9.5 Other urban areas 2,65 106,2 118,1 +1,5 +11,2 116,3 1,54 105.5 113,8 +0,9 +7.9 Limpopo Province 112,8 Polokwane (Pietersburg) 0.17 105.4 112.3 113.1 +0.7 1,37 Other urban areas 105,5 112,7 114,0 +1,2 CPT for the metropolitan and other urban areas 100,00 106.1 114.4 115.5 +1.0 +8.9 CPI for the metropolitan areas 62,96 106,5 114,5 115,5 +0,9 +8.5

Table 24 - Consumer Price Index excluding food and percentage change according to urban area

Indices Percentage change (2000=100) between Urban area | May 2002 | Jun 2001 and and Jun 2002 | Jun 2002 2001 2002 2002 +0,7 106.2 114,9 115,7 +8,9 Western Cape 17.46 Cape Peninsula +0,6 12,13 106,6 114,4 115,1 +8,0 Other urban areas 5,33 105,8 114,6 115,7 +1,0 +9,4 113,0 113,9 114,6 113,6 5.31 106,3 113.6 114,3 +0,6 +7,5 Eastern Cape Port Elizabeth/Uitenhage 2,26 106,4 114,4 +0,4 +7,5 East London 1,19 108,1 115,1 +0,4 113,6 Other urban areas 1,86 106.3 114.5 +0.8 +7.7 1,48 107,3 116,0 +0,9 Northern Cape +8,1 Kimberley 0,94 106,9 115.2 115,9 +0,6 114,8 Other urban areas 0,54 107,3 115,8 +0,9 +7,9 Free State 4,72 104,5 108,8 109,2 +0,4 108,1 Bloemfontein 1,60 105,0 108,4 +0,3 +3,2 Free State Goldfields Other urban areas 1,26 105,8 111.1 111.8 +0.6 +5.7 108,1 1,86 104,4 108,4 +0,3 +3,8 +6,1 20,10 106.0 111.7 112.5 +0.7 KwaZulu-Natal 7,27 106,9 Durban/Pinetown 112,2 112,7 +0,4 +5,4 Pietermaritzburg 1,23 105,8 113,8 114,8 +0,9 +8,5 Other urban areas 11,60 105,5 111,1 112,0 +0,8 North West 2,56 105,9 111,6 112,0 +0,4 +5,8 Gauteng 43,29 106,4 113,1 114,1 +0,9 +7,2 Pretoria/Centurion/Akasia 11,93 106,6 113,9 114,4 114,9 +0,4 +7,3 Witwatersrand 24.62 106.6 113.8 +7.8 +1.0 +1,0 Other urban areas 6,74 106,1 112,0 113,1 +6,6 106,8 113,4 3.61 112.8 +0,5 +6.2 Mpumalanga Nelspruit/Witbank 107,0 1,18 115,1 115,4 +0,3 +7,9 Other urban areas 106,7 112,1 112,9 +0,7 1,47 112,5 +0,6 105.8 111.8 +6.3 Limpopo Province 108,7 Polokwane (Pietersburg) 0,23 104,6 108,3 +0,4 +3,9 Other urban areas 105,9 112,1 113,1 +0,9 CPI for the metropolitan and other urban areas 100,00 106,2 113,0 113,8 CPI for the

|metropolitan areas | 65,85 | 106,6 | 113,5 | 114,3 | +0,7 | +7,2

Table 25 - Seasonally adjusted group and product indices of the Consumer Price Index (Metropolitan areas)

Base : 2000 = 100

l							
				 	ļ	% change	between
Group/Product	  Weights  	Mar   2002	Apr 2002	     May   2002	   Jun   2002	May 2002   and   Jun 2002	Jun 2001   and  Jun 2002
CPI: All items	100,00	111,4	113,1	114,2	115,2	+0,9	+8,6
Expenditure groups - Very low Low Middle High Very high	0,91   1,76   6,36   14,57   76,40	114,5 114,9 113,7 113,0 110,9	116,1 116,4 115,2 114,4 112,5	116,8 117,2 116,1 115,4 113,6	118,8 119,1 117,6 116,7 114,3	+1,7 +1,6 +1,3 +1,1 +0,6	+12,7 +12,5 +10,9 +10,0 +7,7
CPI: All items excluding food	79,01	110,5	112,1	113,3	114,1	+0,7	+7,0
Commodities	57,14	112,7	113,9	115,0	115,9	+0,8	+9,5
Food	20,99	116,2	117,8	118,2	120,4	+1,9	+15,9
Food and non-alcoholic beverages Alcoholic beverages, cigarettes, cigars and tobacco	22,09   2,54	116,1 117,2	117,6 117,6	118,1 118,0	120,2 118,5	+1,8	+15,5 +9,1
Clothing and footwear Furniture and equipment Vehicles Other transport commodities Other commodities	3,25 2,53 5,95 3,51 17,27		95,0 109,0 113,8 120,1 117,4	95,6 109,3 114,3 126,3 118,3	96,3 111,3 114,5 123,4 119,0	-2,3	-4,0 +7,0 +8,6 +7,2 +10,3
Services	42,86	110,2	112,5	113,5	114,0	+0,4	+7,0
Housing and domestic workers Transport Other services	25,62 3,38 13,86	108,2 105,9 115,1	112,9 106,6 114,7	114,4 106,9 115,3			+8,8 +3,5 +5,7
CPI: All items excluding VAT	100,00	111,5	113,2	114,3	115,3	+0,9	+8,5
CPIX	100,00	113,6	114,6	115,7	116,8	+1,0	+9,5

Table 26 - Seasonally adjusted group and product indices of the Consumer Price Index (Metropolitan and other urban areas)

Base: 2000 = 100

İ	2000						
	! !	 		 !	!	% change	between
     Group/Product	    Weights  	Mar 2002	Apr 2002	     May   2002	     Jun   2002	May 2002   and   Jun 2002	Jun 2001   and  Jun 2002
CPI: All items	100,00	111,5	113,2	114,1	115,0	+0,8	+8,8
Expenditure groups - Very low Low Middle High Very high	1,39 2,26 8,11 16,96 71,28	115,2 114,0 113,2 112,5 111,0	117,0 115,7 114,8 114,0 112,6	117,5 116,3 115,4 114,8 113,6	119,4 118,4 117,2 116,2 114,2	+1,6 +1,8 +1,6 +1,2 +0,5	+14,1 +12,8 +11,4 +9,8 +7,8
CPI: All items excluding food	76,98	110,3	111,8	113,0	113,7	+0,6	+7,1
Commodities	59,42	112,5	113,8	114,8	115,9	+1,0	+10,3
Food	23,02	116,5	118,4	118,7	121,1	+2,0	+16,7
Food and non-alcoholic beverages   Alcoholic beverages, cigarettes, cigars and   tobacco	24,15	116,4 117,3	118,3 118,2	118,6 118,5	120,9 119,1	+1,9	+16,3 +9,4
Clothing and footwear Furniture and equipment Vehicles Other transport commodities Other commodities	3,64 2,82 5,11 5,14 15,83	94,0 108,3 111,0 115,6 113,6	93,7 108,6 111,9 118,7 114,5	94,4 108,9 112,4 124,2 115,4	95,0 110,7 112,5 121,2 116,7	+0,6 +1,7 +0,1 -2,4 +1,1	-4,7 +6,9 +7,8 +6,4 +10,5
Services	40,58	110,2	112,3	113,2	113,8	+0,5	+6,9
Housing and domestic workers Transport Other services	23,92 3,47 13,19	109,2 107,3 113,7	113,2 107,4 112,7	114,5 107,2 113,1	115,1 106,9 113,9	+0,5 -0,3 +0,7	+8,0 +2,9 +5,7
CPI: All items excluding VAT	100,00	111,5	113,2	114,1	115,0	+0,8	+8,8
  CPIX	100,00	113,0	114,1	115,2	116,3	+1,0	+9,5

Table 27 - Consumer Price Index for pensioners and percentage change according to urban area

	   		Indices (2000=100)		Percentage change between		
Urban area	Weights      	Jun 2001	   May   2002	   Jun   2002	   May 2002   and   Jun 2002	Jun 2001   and   Jun 2002	
Western Cape	20,00	105,8	115,7	116,8	   +1.0	+10,4	
-				·		•	
Cape Peninsula	12,55	106,5	115,7	116,6	+0,8	+9,5	
Other urban areas	7,45	105,5	115,6	117,1	+1,3	+11,0	
Eastern Cape	6,08	105,0	116,4	117,7	+1,1	+12,1	
Port Elizabeth/Uitenhage	3.06	105.9	117.3	118.4	+0.9	+11.8	
East London	0,62	106,2	114,9	117,1	+1,9	+10,3	
Other urban areas	2,40	104,7	116,5	118,0	+1,3	+12,7	
		4.00					
Northern Cape	1,57	107,0	116,1	117,5	+1,2	+9,8	
Kimberley	0,69	106,3	115,3	116,5	+1,0	+9,6	
Other urban areas	0,88	107,1	116,6	118,1	+1,3	+10,3	
Free State	5,49	104,8	111,3	112,1	+0,7	+7,0	
Bloemfontein	1,83	104,2	107,8	108,8	+0,9	+4,4	
Free State Goldfields	0,86	105,6	112,6	113,9	+1,2	+7,9	
Other urban areas	2,80	104,8	111,5	112,1	+0,5	+7,0	
KwaZulu-Natal	22,75	106,0	114,7	116,1	+1,2	+9.5	
Durban/Pinetown	7,03	106,8	114,7	115,5	+1,2	+8,1	
Pietermaritzburg							
	1,40	106,0	115,1	116,4	+1,1	+9,8	
Other urban areas	14,32	105,6	114,9	116,4	+1,3	+10,2	
North West	2,40	105,6	113,6	114,6	+0,9	+8,5	
Gauteng	37,69	106,1	114,5	115,8	+1,1	+9,1	
Pretoria/Centurion/Akasia	11,35	106,1	114,2	115,5	+1,1	+8.9	
Witwatersrand	16,11	106,4	114,9	116,0	+1,0	+9,0	
Other urban areas	10,23	105,5	113,8	115,4	+1,4	+9,4	
M1	0 41	106,0	117,1	119,0	+1,6	.10.2	
Mpumalanga	2,41					+12,3	
Nelspruit/Witbank	0,26	107,5	119,3	120,5	+1,0	+12,1	
Other urban areas	2,15	105,7	116,9	118,8	+1,6	+12,4	
Limpopo Province	1,61	106,0	115,3	116,4	+1,0	+9,8	
Polokwane (Pietersburg)	0,26	105,7	117,3	118,7	+1,2	+12,3	
Other urban areas	1,35	106,0	115,4	116,4	+0,9	+9,8	
CPI for the							
metropolitan and other urban areas	100,00	105,8	114,8	116,1	+1,1	+9,7	
						·	
CPI for the metropolitan areas	56,03	106,3	114,9	116,0	+1,0	+9,1	
merroborirgu grags	1 20,03	100,3	114,9	110,0	+1,U	+9,⊥	

### EXPLANATORY NOTES

1

### Introduction

- This publication contains results of the monthly Survey of Consumer (Retail) Prices. The purpose of the survey is to collect and provide information regarding changes in the overall level of prices of all goods and services bought by the average household
- The indices are classified according to the International Trade Classification (as indicated in tables 1, 3 to 18, 25 and 26) and geographical areas (as indicated in tables 21 to 24 and 27). Due to a new international classification system, prescribed by the 1993 System of National Accounts (SNA revision IV, 1993), compiled by the United Nations, the International Monetary Fund, the World Bank, the Organisation for Economic Corporation and Development and the Commission of European Communities, the Classification of Individual Consumption by Purpose (COICOP), Stats SA decided to classify the price information collected according to this new classification system, alongside the existing classification system. The information contained in tables 19 and 20 is classified according to COICOP. The indices are calculated on the base 2000=100.
- 3 The Consumer Price Index (CPI) is a series of figures (numbers) showing how the average price level of all those goods and services (basket of goods and services) bought by a typical consumer or household changes over time. The inflation rate is the annual percentage change in the CPI.

### Survey of Income and Expenditure of Households (IES)

- 4 Stats SA conducts a Survey of Income and Expenditure of Households every five years. This survey is conducted by enumerators visiting a number of households throughout South Africa to obtain details on income and expenditure of households. The information obtained through this survey is weighted according to the Population Census figures in order to represent all households in South Africa.
- 5 Every five years the results from this survey are used to identify the goods and services bought by a typical consumer or household and which should be included in the basket of goods and services used to monitor price changes.
- Furthermore, every five years the results from the Survey of Income and Expenditure of Households are used to determine the weights of the products/groups (indicator products) in the basket. The weights of a specific product/group is calculated by dividing the total amount spent by all households in South Africa on the specific product/group by the total amount spent on all goods and services by all households.

### 2000 Survey of Income and Expenditure of Households

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- Stats SA conducted the five-yearly Survey of Income and Expenditure of Households in October 2000 covering a sample of 30 000 households. The information obtained through this survey was weighted according to the 1996 Population Census figures in order to represent all households in South Africa.
- The 2000 Survey of Income and Expenditure of Households collected information regarding approximately 1 000 different goods and services groups .Stats SA made a further breakdown of these groups using supplementary sources. This process led to a list of approximately 1 500 groups on which the current calculation of the CPI is based.
- Based on the above-mentioned information for 2000 (cf. paragraphs 7 and 8), the new weight for a specific product/group was calculated by dividing total expenditure by all households in South Africa on the specific product/group by total expenditure on all goods and services by all households in South Africa. Stats SA implemented the new weights, i.e. the 2000 weights based on the 2000 Survey of Income and Expenditure of Households, as from the January 2002 CPI publication.

### Basket of goods 10 and services

The current CPI basket covers approximately 1 500 goods and services.

11 These goods and services are grouped according to the International Trade Classification into 17 main groups -

- Food;
- Non-alcoholic beverages;
- Alcoholic beverages;
- Cigarettes, cigars and tobacco;
- Clothing and Footwear;
- Housing;
- Fuel and power;
- Furniture and equipment;
- Household operation;
- Medical care and health expenses;
- Transport;
- Communication;
- Recreation and entertainment;
- Reading matter;
- Education:
- Personal care; and
- Other.
- These goods and services are grouped according to an alternative classification, i.e. the COICOP classification, into nine main groups
  - Food, beverages and tobacco;
  - Clothing and Footwear;
  - Housing, water, electricity, gas and other fuels;
  - Furnishings, household equipment and routine maintenance of the house;
  - Health;
  - Transport;
  - Leisure, entertainment and culture;
  - Education; and
  - Miscellaneous goods and services.

### Weighting basis

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The CPI is a fixed weights index, which implies that the weight of each product/group stays the same for the five year period until the results of the next Survey of Income and Expenditure of Households become available.

## Expenditure groups

Five expenditure group categories or quintiles are defined according to total annual expenditure per household as at October of the year of the Survey of Income and Expenditure of Households. The five expenditure group categories used in this publication were defined according to total annual expenditure per household as at October 2000. These categories are as follows –

- very low expenditure group up to R8 070;
- low expenditure group R8 071 up to R12 263;
- middle expenditure group R12 264 up to R24 365;
- high expenditure group R24 366 up to R55 159; and
- very high expenditure group R55 160 and more.

## Scope of the CPI survey

The Survey of Retail Prices is a retail trade and service outlets sample survey covering prices of selected consumer goods and services sold by these retail trade and service outlets to consumers in the 14 metropolitan and 39 other urban areas in the nine provinces. The results of the survey are used to compile the Consumer Price Index, an economic indicator.

Prices of goods and services included in the CPI are collected as at any day between the first and the seventh of the month concerned. Although these prices are generally collected monthly (see list of items in paragraph 17), the prices of some items are collected quarterly (see list of items in paragraph 18), six monthly or annually (see list of items in paragraph 19). The collection of prices depends on the frequency at which these prices tend to change. However, if it comes to the attention of Stats SA that prices are about to change, these prices will be collected, even if it is not according to the normal collection schedule.

### 17 Prices of items/products collected monthly:

- Bread.
- Meat.
- Milk.
- Vegetables and fruit.
- Other groceries.
- Alcoholic beverages.
- Sweets, non-alcoholic beverages, ice-cream and tobacco products.
- Clothing and footwear.
- Repairs of clothing, footwear and furniture.
- Interest rates on mortgage bonds.
- Coal and wood.
- New vehicles, repairs and services.
- Motor spare parts and accessories.
- Petrol.
- Diesel.

### **18** Prices of items/products collected quarterly:

Items/products	Months of survey
<ul> <li>Garden tools.</li> <li>Washing, ironing and dry-cleaning.</li> <li>Sport equipment.</li> <li>Reading matter and stationery.</li> </ul>	January, April, July and October
<ul> <li>Tariffs of hairdressing services.</li> <li>Ironware and crockery.</li> <li>New and retread tyres.</li> </ul>	February, May, August and November
<ul> <li>Furniture and equipment.</li> <li>Household textiles.</li> <li>Electrical appliances and equipment.</li> <li>Medical, toilet and photographic requisites and services.</li> <li>Motor vehicle insurance.</li> </ul>	March, June, September and December

### 19 Prices of items/products collected annually:

Items/products	Month of survey
Doctor's and dentist's fees.	January
<ul> <li>Motor vehicle licence and registration fees.</li> </ul>	
<ul> <li>Toll-fees at toll-gates.</li> </ul>	March
School funds.	
<ul> <li>University boarding and class fees.</li> </ul>	
Parking fees.	April
<ul> <li>Telephone and postal tariffs.</li> </ul>	
• Public transport tariffs.	• June
Property taxes.	• July
Refuse removal.	
Sanitary fees.	
<ul> <li>Newspapers and magazines.</li> </ul>	
• Entrance fees – drive-inns and bioscopes.	August
Television licences;	October
Maintenance of graves; and	
Rent of dwellings.	

20 Prices of items/products collected at other times of the year

Items/products	Month of survey
• Winter clothing.	March, April, May, June, July and August
Medicine	January and June
Contribution to medical aid	January, April and July
Property insurance	January and July
<ul> <li>Hospital fees</li> </ul>	
• Water	<ul> <li>January, July and August</li> </ul>
• Electricity	
Air transport fees	January and August
Dog licences	January, July and October

### Classification

- The International Trade Classification (ITC) was used to classify the products and services contained in the basket of goods and services.
- A further classification of the products and services in the basket of goods and services, in line with international practices, was done according to the Classification of Individual consumption by Purpose (COICOP). The indices according to this classification are published in tables 19 and 20.

### Statistical unit 23

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The statistical unit is the department (e.g food department, hardware department, clothing department) of the retail trade and service establishments (branches). The establishment is the smallest economic unit that functions as a separate entity. Information is obtained from the different departments in each establishment. Each department in the establishment is classified according to the classification of the products that the department sells, which is then classified according to ITC as well as COICOP.

### Survey methodology and design

- Different phases of sampling takes place. Firstly, a sample of goods and services, based on the Information collected through the Survey of Income and Expenditure of Households, is designed and selected. An indicator product is selected purposively within each product group. To be selected, a product should constitute a large quantity, at least 0,01% of total expenditure. Furthermore, it must be possible to obtain price quotations for the relevant product during the whole year. The sample of indicator products is revised every five years at which stage the weights of the indicator products/groups are also revised.
- Secondly, a geographical sample for price collection is designed and selected. Currently 13 major metropolitan areas, covering all nine provinces, are included in the geographical sample for price collection. The "other urban areas" are covered by nine provincial samples of four to five urban areas each, depending on the population size of the area. Therefore, a total of 39 "other urban areas" is sampled.
- Thirdly, for each of the 53 sample areas, a retail trade and service outlet sampling frame is constructed, based on available data sources, mainly the business register of Stats SA, telephone directories and lists obtained from the head offices of chain stores. The sample is purposively distributed geographically within areas. Specific retail trade and service outlets are selected randomly within each area. Prices are collected from department stores, as well as specialist shops. The sample of outlets is revised every five years when the weights are revised.
- 27 Currently, an average of 110 000 price quotations are collected each month from approximately 2 200 outlets by means of 6 700 questionnaires. The indices are based on retail trade and service prices.

### **Pricing basis**

28 Price information refers to the first seven days of the relevant month. The prices of all items include VAT.

## Processing of price information

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The prices that are quoted for the different products/services are edited to ensure that it is price comparable with the prices received for the same products in the previous month. If the price information difference between successive periods are outside the specified range, the current price levels are confirmed with the relative respondents through a telephone inquiry.

## Calculating product price indices

Price relatives are calculated for each product per respondent by dividing the current price by the previously quoted price. The price relative for each product is calculated by means of the geometric mean of the price relatives for each respondent. This price relative for each product is then multiplied with the product index for the previous month in order to obtain a product index for the relevant month.

## Calculating group price indices

Group price indices are calculated by weighting product indices with the relevant product weight, according to each weighting structure, using the Laspeyres formula.

## Contributions of specific items to the total CPI

The monthly (annual) contribution of a specific item or group of items to the total CPI is calculated by multiplying the weight of this item or group of items with the monthly (annual) change in the index for this item or group of items, divided by the index for 'All items'.

### Core index

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, the core index 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.

- Exclusions from the CPI to obtain the core index, 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 month to month 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.
  - Changes in 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.

# CPI excluding interest rates on mortgage bonds (CPIX)

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In other countries in the world such as New Zealand, Sweden and Australia, which adopted inflation targeting, different measures of the inflation rate have been derived and applied such as the Core index, the Core index excluding petrol and the CPIX. Stats SA has accordingly calculated these measures and only the CPIX and the Core index are included in this release (cf. table 1 on page 13).

## Seasonal adjustment

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Seasonal fluctuations in a time series are those fluctuations which usually tend to occur at about the same time and with the same magnitude each year. This may be the result of climatic influences or other social and commercial habits (e.g. the price of bread, which was previously revised in October of each year). In the analysis of time series, Stats SA makes use of the X-11 technique, which was developed by the American Bureau of Census. The seasonally adjusted indices for the latest month are calculated with seasonal factors, which are based on a time series analysis of information up to and including the previous month. Since Stats SA do not revise these indices on a monthly basis, historical seasonally adjusted indices are revised annually in January of each year.

### Reliability of estimates

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Inaccuracies may occur because of imperfections in reporting by enterprises and errors made in collection and processing of the data. Inaccuracies of this kind are referred to as non-sampling errors. Every effort is made to reduce non-sampling errors to a minimum by careful designing the questionnaires, editing data and efficient operating procedures.

## Related publications

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Users may also wish to refer to the following publications, which are available from Stats SA -

- Bulletin of Statistics; and
- SA Statistics.

## Unpublished statistics

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In some cases, Stats SA can also make available formation which is not published. This information can be made available in one or more of the following ways: computer printout, diskette or CD. Generally a fee is levied for providing unpublished information.

### Symbols and abbreviations

Stats SA Statistics South Africa

.. not available

- nil or not applicable

revised since previous publication

avg average

### TECHNICAL NOTES

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### Response rate

The response rate for the CPI for the metropolitan areas for June 2002 was 91%.

The response rate for the CPI for the metropolitan and other urban areas for June 2002 was 82%.

### **GLOSSARY**

### **Annual inflation rate**

The annual inflation rate is the change in the CPI for all items of the relevant month of the current year compared with the CPI for all items of the same month in the previous year expressed as a percentage.

### Annual percentage change

The annual percentage change is the change in the index of the relevant month of the current year compared with the index of the same month in the previous year expressed as a percentage.

## Average annual inflation rate

The average annual inflation rate is the change in the average CPI for all items of one year compared with the average CPI for all items of the previous year expressed as a percentage.

## Average annual percentage change

The average annual percentage change is the change in the average index of one year compared with the average index of the previous year expressed as a percentage.

# CPI excluding interest rates on mortgage bonds (CPIX)

The CPI excluding interest rates on mortgage bonds (CPIX) is derived by excluding the interest rates on mortgage bonds from the basket of goods and services, which is used to compile the Consumer Price Index.

In other countries in the world such as New Zealand, Sweden and Australia, which adopted as inflation targeting, different measures of the inflation rate have been derived and applied such as the Core index, and the CPI excluding interest rates on mortgage bonds. Stats SA has accordingly calculated these measures and the CPI excluding interest rates on mortgage bonds CPIX, is included in this release (cf. table1 on page 13).

### Core index

The core index is derived by exclusions from the CPI on the basis that changes in their prices are policy.

Exclusions from the CPI to obtain the core index, and the reasons for exclusion are as follows

LAC

- 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 month to month 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.
- Changes in VAT (Value Added Tax): VAT is predominantly determined by government (fiscal policy).
- Assessment rates: These taxes are predominantly determined by local government.

### 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 the change in the Core index of the relevant month of the current year compared with the Core index of the same month in the previous year expressed as a percentage.

### Establishment

An establishment (branch) is the smallest economic unit that functions as a separate entity.

### **Indicator products**

Indicator products are those products or services that were selected in the basket, which is used to compile the Consumer Price Index.

### Inflation rate

Inflation rate is the annual percentage change in the CPI for all items of the relevant month of the current year compared with the CPI for all items of the same month in the previous year expressed as a percentage.

### Metropolitan area

Metropolitan areas in the CPI refer to the following 13 metropolitan areas used in the compilation of the CPI  $-\,$ 

- Cape Peninsula
- Port Elizabeth/Uitenhage
- East London
- Kimberley
- Bloemfontein
- Free State Goldfields
- Durban/Pinetown
- Pietermaritzburg
- Pretoria/ Centurion/Akasia
- Witwatersrand
- Nelspruit/Witbank
- Polokwane (Pietersburg)

Initially 12 metropolitan areas were selected, based on the population figures as well as the size of the economical activity in these areas. However, when the 9 provinces were introduced the Vaal Triangle metropolitan area was included partially (van der Biljpark and Vereeniging) in the other urban areas of Gauteng and partially (Sasolburg) in the other urban areas of the Free State. Due to the fact that there were no metropolitan areas in the Limpopo Province and Mpumalnaga, the main urban areas and Nelspruit/Witbank in each of these provinces were selected as metropolitan areas

## Monthly percentage change

The monthly percentage change is the change in the CPI of the relevant month compared to the CPI of the previous month expressed as a percentage.

### Weights

The weights are the relevant importance of the indicator product. The weight of a product is calculated by dividing the total expenditure by households on that product by the total expenditure on all goods and services by households.

### FOR MORE INFORMATION

Stats SA publishes approximately 400 different releases each year. It is not economically viable to produce them in more than one of South Africa's eleven official languages. Since the releases are used extensively, not only locally but also by international economic and social-scientific communities, Stats SA releases are published in English only.

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### Advance release calendar

An advance release calendar is disseminated on http://www.statssa.gov.za

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Eastern Cape Library Services, King William's Town
Central Regional Library, Polokwane
Central Reference Library, Nelspruit
Central Reference Collection, Kimberley
Central Reference Library, Mmabatho

Stats SA also provides a subscription service.

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You can visit us on the Internet at: http://www.statssa.gov.za

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