



Dipalopalo tsa Aforika Borwa • Statistieke Suid-Afrika • Tistatistiki ta Afrika-Dzonga • Ukuqokelelwa kwamanani eNingizimu Afrika

# Consumer Price Index (CPI) Headline November 2004

Embargoed until: 22 December 2004 11:30

Preferred supplier of quality statistics

170 Andries Street, Pretoria 0002 fax: +27(12) 321 7381 website: www.statssa.gov.za

Private Bag X44 • Pretoria 0001 • South Africa tel: +27(12) 310 8911 email: info@statssa.gov.za

Statistics South Africa 1 P0141.1

#### **EXECUTIVE SUMMARY**

#### **KEY FIGURES AT NOVEMBER 2004**

		Indices (2000=100)		Percentage change between				
Main Indices	November 2003	October 2004	November 2004	Octob a Novem	November 2003 and November 2004			
				Actual %	Seasonally adjusted %	Actual %		
CPI (historical metropolitan areas)	120,8	124,6	125,3	+ 0,6	+ 0,6	+ 3,7		
CPI excluding interest rates on mortgage bonds (CPIX) (historical metropolitan and other urban areas)	125,9	130,9	131,7	+ 0,6	+ 0,3	+ 4,6		

#### **KEY FINDINGS AT NOVEMBER 2004**

The headline inflation rate at November 2004 (i.e. the Consumer Price Index for the historical metropolitan areas at November 2004 compared with that at November 2003) is 3,7%

The official inflation rate (i.e. the percentage change in the CPI for the historical metropolitan areas at November 2004 compared with that at November 2003) is 3,7% at November 2004. This rate is 1,3 percentage points higher than the corresponding annual rate of 2,4% at October 2004 (i.e. the percentage change in the CPI for the historical metropolitan areas at October 2004 compared with that at October 2003) (see table 2.1, p.14). This higher annual rate at November 2004 compared with that at October 2004 can be explained by increases in the annual rates of change for:

- The CPI for transport for which the rate increased from 7,0% at October 2004 to a higher rate of 8,4% at November 2004.
- The CPI for housing for which the rate increased from 3,8% at October 2004 to a higher rate of 1,1% at November 2004.
- The CPI for "other" products for which the rate increased from 2,3% at October 2004 to a higher rate of 0,6% at November 2004.

However, these annual increases were partially counteracted by a decrease in the annual rate of change for:

• The CPI for household operation for which the rate decreased from 7,8% at October 2004 to a lower rate of 6,3% at November 2004.

From October 2004 to November 2004 the Consumer Price Index for the historical metropolitan areas as well as the seasonally adjusted index increased by 0,6%.

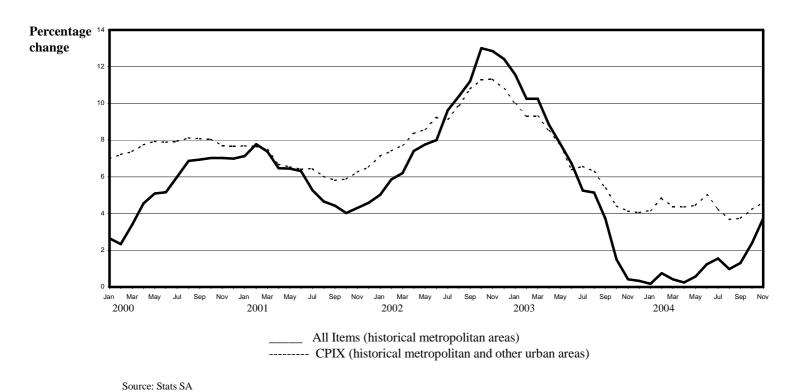
The annual increase of 3,7% in the Consumer Price Index for the historical metropolitan areas is mainly due to annual increases in the price indices for transport (+ 1,2 percentage points), medical care and health expenses (+ 0,7 of a percentage point), food (+ 0,4 of a percentage point) and household operation (+ 0,3 of a percentage point). These annual increases were partially counteracted by annual decreases in the price indices for clothing and footwear (- 0,1 of a percentage point) and recreation and entertainment (- 0,1 of a percentage point) (see table 3, p.15).

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 4,6% at November 2004 (i.e. the CPIX at November 2004 compared with that at November 2003)

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 4,6% at November 2004 (i.e. the CPIX at November 2004 compared with that at November 2003). This rate is 0,4 of a percentage point higher than the corresponding annual rate of 4,2% at October 2004 (see table 2.2, p.14). From October 2004 to November 2004 the CPIX for the historical metropolitan and other urban areas increased by 0,6% and the seasonally adjusted index increased by 0,3%.

The annual increase of 4,6% in the CPIX for the historical metropolitan and other urban areas is mainly due to annual increases in the price indices for transport (+ 1,1 percentage points), housing, excluding interest rates on mortgage bonds (+ 0,8 of a percentage point), medical care and health expenses (+ 0,7 of a percentage point), food (+ 0,5 of a percentage point), education (+ 0,4 of a percentage point), fuel and power (+ 0,3 of a percentage point) and household operation (+ 0,3 of a percentage point). These annual increases were slightly counteracted by annual decreases in the price indices for clothing and footwear (- 0,1 of a percentage point) and recreation and entertainment (- 0,1 of a percentage point) (see table 9, p.16).

Figure 1 – Annual percentage change in the Consumer Price Index



#### **CPI FOR DECEMBER 2004**

In addition to the usual price surveys for December 2004, surveys of parking fees in certain areas will be undertaken, as it has come to Stats SA's attention that price changes in these items will be introduced during the first seven days of December 2004.

P J Lehohla Statistician-General: Statistics South Africa

CONTENTS		PAGE
Historical Met	ropolitan areas Key figures at November 2004	5
	Key findings at November 2004.	5
Historical Met	ropolitan and other urban areas  Key figures at November 2004	8
	Key findings at November 2004	8
Notes		11
Table 1	Expenditure group and area indices of the Consumer Price Index and percentage change	13
Table 2.1	The Consumer Price Index and the annual inflation rate on a monthly basis for the historical metropolitan areas	14
Table 2.2	The Consumer Price Index excluding interest rates on mortgage bonds (CPIX) and the annual percentage change on a monthly basis for the historical metropolitan and other urban areas	14
Table 2.3	Food index and the annual percentage change on a monthly basis for the historical metropolitan areas	14
Table 3	Contributions of different groups to the annual percentage change in the CPI for the historical metropolitan areas	15
Table 4	Contributions of different groups to the monthly percentage change in the CPI for the historical metropolitan areas	15
Table 5	Contributions of different groups to the annual percentage change in the CPI for the historical metropolitan and other urban areas	15
Table 6	Contributions of different groups to the monthly percentage change in the CPI for the historical metropolitan and other urban areas	15
Table 7	Contributions of different groups to the annual percentage change in the CPIX for the historical metropolitan areas	16
Table 8	Contributions of different groups to the monthly percentage change in the CPIX for the historical metropolitan areas	16
Table 9	Contributions of different groups to the annual percentage change in the CPIX for the historical metropolitan and other urban areas	16
Table 10	Contributions of different groups to the monthly percentage change in the CPIX for the historical metropolitan and other urban areas	16
Table 11	Contributions of different groups to the annual percentage change in the Core index for the historical metropolitan areas	17
Table 12	Contributions of different groups to the monthly percentage change in the Core index for the historical metropolitan areas	17
Table 13	Contributions of different groups to the annual percentage change in the Core index for the historical metropolitan and other urban areas	17

CONTENTS		PAG
Table 14	Contributions of different groups to the monthly percentage change in the Core index for the historical metropolitan and other urban areas	17
Table 15	Consumer Price Index group and product indices and percentage change for the historical metropolitan areas	18
Table 16	Consumer Price Index group and product indices and percentage change for the historical metropolitan and other urban areas	19
Table 17	Consumer Price Index, excluding interest rates on mortgage bonds (CPIX), group and product indices and percentage change for the historical metropolitan areas	20
Table 18	Consumer Price Index, excluding interest rates on mortgage bonds (CPIX), group and product indices and percentage change for the historical metropolitan and other urban areas.	21
Table 19	Consumer Price Index group and product indices classified according to COICOP and percentage change for the historical metropolitan areas	22
Table 20	Consumer Price Index group and product indices classified according to COICOP and percentage change for the historical metropolitan and other urban areas	23
Table 21	Consumer Price Index and percentage change according to urban area	24
Table 22	Food Price Index and percentage change according to urban area	25
Table 23	Consumer Price Index excluding housing and percentage change according to urban area.	26
Table 24	Consumer Price Index excluding food and percentage change according to urban area	27
Table 25	Seasonally adjusted group and product indices of the Consumer Price Index (historical metropolitan areas)	28
Table 26	Seasonally adjusted group and product indices of the Consumer Price Index (historical metropolitan and other urban areas)	28
Table 27	Consumer Price Index for pensioners and percentage change according to urban area.	29
Additional in	nformation	
	Explanatory notes	30
	Technical notes	35
	Glossary	36
For more inf	ormation	38

Statistics South Africa 5 P0141.1

#### HISTORICAL METROPOLITAN AREAS

#### **KEY FIGURES AT NOVEMBER 2004**

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

		Indices (2000=100)		Percentage change between				
Main indices	November 2003	October 2004	November 2004		ber 2004 and nber 2004	November 2003 and November 2004		
				Actual	Seasonally adjusted	Actual		
				%	%	%		
СРІ	120,8	124,6	125,3	+ 0,6	+ 0,6	+ 3,7		
CPI excluding interest rates on								
mortgage bonds (CPIX)	126,0	131,2	132,0	+ 0,6	+ 0,2	+ 4,8		
Core index	125,3	130,7	131,4	+ 0,5	+ 0,8	+ 4,9		
Food price index	133,9	135,0	136,4	+ 1,0	+ 0,4	+ 1,9		
CPI excluding food price index	117,7	122,3	122,7	+ 0,3	+ 0,6	+ 4,2		
CPI excluding Value Added Tax (VAT)	120,8	124,6	125,3	+ 0,6	+ 0,6	+ 3,7		

#### **KEY FINDINGS AT NOVEMBER 2004**

The headline inflation rate at November 2004 (i.e. the Consumer Price Index for the historical metropolitan areas at November 2004 compared with that at November 2003) is 3,7%

The official inflation rate (i.e. the percentage change in the CPI for the historical metropolitan areas at November 2004 compared with that at November 2003) is 3,7% at November 2004. This rate is 1,3 percentage points higher than the corresponding annual rate of 2,4% at October 2004 (i.e. the percentage change in the CPI for the historical metropolitan areas at October 2004 compared with that at October 2003) (see table 2.1, p.14). This higher annual rate at November 2004 compared with that at October 2004 can be explained by increases in the annual rates of change for:

- The CPI for transport for which the rate increased from 7,0% at October 2004 to a higher rate of 8,4% at November 2004.
- The CPI for housing for which the rate increased from 3,8% at October 2004 to a higher rate of 1,1% at November 2004
- The CPI for "other" products for which the rate increased from 2,3% at October 2004 to a higher rate of 0,6% at November 2004.

However, these annual increases were partially counteracted by a decrease in the annual rate of change for:

• The CPI for household operation for which the rate decreased from 7,8% at October 2004 to a lower rate of 6,3% at November 2004.

From October 2004 to November 2004 the Consumer Price Index for the historical metropolitan areas as well as the seasonally adjusted index increased by 0,6%.

The annual increase of 3,7% in the Consumer Price Index for the historical metropolitan areas is mainly due to annual increases in the price indices for transport (+ 1,2 percentage points), medical care and health expenses (+ 0,7 of a percentage point), food (+ 0,4 of a percentage point) and household operation (+ 0,3 of a percentage point). These annual increases were partially counteracted by annual decreases in the price indices for clothing and footwear (- 0,1 of a percentage point) and recreation and entertainment (- 0,1 of a percentage point) (see table 3, p.15).

From October 2004 to November 2004 the Consumer Price Index for the historical metropolitan areas increased by 0,6%. This monthly increase is due to monthly increases in the price indices for food (+ 0,3 of a percentage point), transport (+ 0,2 of a percentage point, mainly due to a 17c/l increase in the price of petrol) and housing (+ 0,1 of a percentage point) (see table 4, p.15).

Annual percentage change in the Consumer Price Index excluding interest rates on mortgage bonds (CPIX) for the historical metropolitan areas is 4,8% at November 2004 (i.e. the percentage change in the CPIX at November 2004 compared with that at November 2003)

The annual percentage change in the CPIX for the historical metropolitan areas is 4,8% at November 2004 (i.e. the percentage change in the CPIX at November 2004 compared with that at November 2003). This rate is 0,4 of a percentage point higher than the corresponding annual rate of 4,4% at November 2004. From October 2004 to November 2004 the CPIX for the historical metropolitan areas increased by 0,6% and the seasonally adjusted index increased by 0,2%.

The annual increase of 4,8% in the CPIX for the historical metropolitan areas is mainly due to annual increases in the price indices for transport (+1,3) percentage points), housing, excluding interest rates on mortgage bonds (+0,9) of a percentage point), medical care and health expenses (+0,7) of a percentage point), food (+0,5) of a percentage point), education (+0,4) of a percentage point) and household operation (+0,3) of a percentage point). These annual increases were slightly counteracted by annual decreases in the price indices for clothing and footwear (-0,1) of a percentage point) and recreation and entertainment (-0,1) of a percentage point) (see table (-0,1) of a percentage point)

From October 2004 to November 2004 the CPIX for the historical metropolitan areas increased by 0,6%. This monthly increase is due to monthly increases in the price indices for food (+ 0,3 of a percentage point), transport (+ 0,2 of a percentage point, mainly due to a 17c/l increase in the price of petrol) and housing, excluding interest rates on mortgage bonds (+ 0,1 of a percentage point) (see table 8, p.16).

#### **Core inflation rate**

The core inflation rate for the historical metropolitan areas (see explanatory notes 33, 34 and 35 on page 34) is 4,9% at November 2004 (i.e. the core index at November 2004 compared with that at November 2003). This rate is 0,5 of a percentage point higher than the corresponding annual rate of 4,4% at October 2004. From October 2004 to November 2004 the core index for the historical metropolitan areas increased by 0,5% and the seasonally adjusted index increased by 0,8%.

The annual increase of 4,9% in the core index for the historical metropolitan areas is mainly due to annual increases in the price indices for transport (+ 1,5 percentage points), medical care and health expenses (+ 0,8 of a percentage point), housing (+ 0,8 of a percentage point), education (+ 0,6 of a percentage point), household operation (+ 0,4 of a percentage point), fuel and power (+ 0,3 of a percentage point), cigarettes, cigars and tobacco (+ 0,2 of a percentage point) and alcoholic beverages (+ 0,2 of a percentage point). These annual increases were slightly counteracted by annual decreases in the price indices for clothing and footwear (- 0,2 of a percentage point) and recreation and entertainment (- 0,1 of a percentage point) (see table 11, p.17).

From October 2004 to November 2004 the core index for the historical metropolitan areas increased by 0.5%. This monthly increase is due to monthly increases in the price indices for transport (+ 0.2 of a percentage point, mainly due to a 17c/1 increase in the price of petrol), food (+ 0.2 of a percentage point) and housing (+ 0.1 of a percentage point) (see table 12, p.17).

#### Food inflation

The price index for food reflects an annual rate of increase of 1,9% at November 2004 (i.e. the CPI for food at November 2004 compared with that at November 2003). This rate is the same as the corresponding annual rate of 1,9% at October 2004. From October 2004 to November 2004 this index increased by 1,0% and the seasonally adjusted index increased by 0,4%.

Annual increases occurred in the price indices for meat (+7,0%), "other" food products (+3,9%), fruit and nuts (+2,1%), milk, cheese and eggs (+1,5%), sugar (+0,6%) and fats and oils (+0,2%). These annual increases were partially counteracted by annual decreases in the price indices for vegetables (-7,5%), fish and other seafood (-3,1%) and coffee, tea and cocoa (-0,5%) (see table 15, p.18).

Monthly increases occurred in the price indices for sugar (+3.5%), grain products (+1.8%), meat (+1.6%), fruit and nuts (+1.0%), milk, cheese and eggs (+1.0%), "other" food products (+0.8%) and coffee, tea and cocoa (+0.7%). These monthly increases were partially counteracted by monthly decreases in the price indices for vegetables (-0.5%), fish and other seafood (-0.2%) and fats and oils (-0.1%) (see table 15, p.18).

#### **CPI** excluding food

The price index for non-food items shows an annual rate of change of 4,2% at November 2004 (i.e. the CPI excluding food at November 2004 compared with that at November 2003). This rate is 1,6 percentage points higher than the corresponding annual rate of 2,6% at October 2004. From October 2004 to November 2004 this index increased by 0,3% and the seasonally adjusted index increased by 0,6%.

Relatively large annual increases occurred in the price indices for alcoholic beverages (+9,9%), cigarettes, cigars and tobacco (+9,6%), education (+9,6%), medical care and health expenses (+9,1%), transport (+8,4%), household operation (+6,3%), fuel and power (+6,3%), reading matter (+4,8%), non-alcoholic beverages (+3,9%) and communication (+3,0%). These annual increases were counteracted by relatively large annual decreases in the price indices for recreation and entertainment (-3,6%), clothing and footwear (-3,5%), "other" products (-0,6%) and furniture and equipment (-0,3%) (see table 15, p.18).

Relatively large monthly increases occurred in the price indices for transport (+ 1,1%, mainly due to a 17c/l increase in the price of petrol), cigarettes, cigars and tobacco (+ 1,0%), reading matter (+ 0,9%) and household operation (+ 0,8%). These monthly increases were partially counteracted by monthly decreases in the price indices for non-alcoholic beverages (- 0,4%), personal care (- 0,2%), furniture and equipment (- 0,2%) and recreation and entertainment (- 0,2%) (see table 15, 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 November 2004 and the average index of the previous three months. This approach, when using seasonally adjusted data shows an increase of 3,2% (which is 0,3 of a percentage point higher than the corresponding rate of 2,9% for October 2004), while the unadjusted data shows an increase of 1,8% (which is 0,7 of a percentage point higher than the corresponding rate of 1,1% for October 2004).

#### **Pensioners**

The annual inflation rate for pensioners in the historical metropolitan areas is 4,3% at November 2004 (i.e. the CPI for pensioners at November 2004 compared with that at November 2003), which is 0,5 of a percentage point higher than the corresponding annual rate of 3,8% at October 2004 (see table 27, p.29).

Statistics South Africa 8 P0141.1

#### HISTORICAL METROPOLITAN AND OTHER URBAN AREAS

#### **KEY FIGURES AT NOVEMBER 2004**

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

		Indices (2000=100)		Perc	entage change	e between
Main indices	November 2003	October 2004  Vember October November and		and	November 2003 and November 2004	
					Seasonally	
				Actual %	adjusted %	Actual %
CPI	121.4	125,2	125,9	+ 0,6	+ 0,6	+ 3,7
CPI excluding interest rates on mortgage bonds (CPIX)	125,9	130,9	131,7	+ 0,6	+ 0,3	+ 4,6
Core index	125,0	130,2	130,8	+ 0,5	+ 0,8	+ 4,6
Food price index	134,6	135,8	137,2	+ 1,0	+ 0,5	+ 1,9
CPI excluding food price index	117,9	122,4	122,9	+ 0,4	+ 0,6	+ 4,2
CPI excluding Value Added Tax (VAT)	121,4	125,2	125,9	+ 0,6	+ 0,6	+ 3,7

#### **KEY FINDINGS AT NOVEMBER 2004**

Inflation rate for the historical metropolitan and other urban areas is 3,7% at November 2004 (i.e. the CPI at November 2004 compared with that at November 2003)

The inflation rate for the historical metropolitan and other urban areas is 3,7% at November 2004 (i.e. the CPI at November 2004 compared with that at November 2003). This rate is 1,2 percentage points higher than the corresponding annual rate of 2,5% at October 2004. This higher annual rate at November 2004 compared with that at October 2004, can be explained by increases in the annual rates of change for:

- The CPI for transport for which the rate increased from 6,5% at October 2004 to a higher rate of 7,7% at November 2004.
- The CPI for housing for which the rate increased from 3,4% at October 2004 to a higher rate of 1,2% at November 2004.
- The CPI for "other" products for which the rate increased from 2,4% at October 2004 to a higher rate of 0,6% at November 2004.

From October 2004 to November 2004 the Consumer Price Index for the historical metropolitan and other urban areas as well as the seasonally adjusted index increased by 0,6%.

The annual increase of 3,7% in the Consumer Price Index for the historical metropolitan and other urban areas is mainly due to relatively large annual increases in the price indices for transport (+ 1,1 percentage points), medical care and health expenses (+ 0,7 of a percentage point), food (+ 0,5 of a percentage point), household operation (+ 0,3 of a percentage point), and education (+ 0,3 of a percentage point). These annual increases were partially counteracted by annual decreases in the price indices for clothing and footwear (- 0,1 of a percentage point) and recreation and entertainment (- 0,1 of a percentage point) (see table 5, p.15).

From October 2004 to November 2004 the Consumer Price Index for the historical metropolitan and other urban areas increased by 0.6%. This monthly increase is due to monthly increases in the price indices for food (+ 0.3 of a percentage point), transport (+ 0.2 of a percentage point, mainly due to a 17c/l increase in the price of petrol) and housing (+ 0.1 of a percentage point) (see table 6, p.15).

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 4,6% at November 2004 (i.e. the CPIX at November 2004 compared with that at November 2003)

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 4,6% at November 2004 (i.e. the CPIX at November 2004 compared with that at November 2003). This rate is 0,4 of a percentage point higher than the corresponding annual rate of 4,2% at October 2004 (see table 2.2, p.14). From October 2004 to November 2004 the CPIX for the historical metropolitan and other urban areas increased by 0,6% and the seasonally adjusted index increased by 0,3%.

The annual increase of 4,6% in the CPIX for the historical metropolitan and other urban areas is mainly due to annual increases in the price indices for transport (+ 1,1 percentage points), housing, excluding interest rates on mortgage bonds (+ 0,8 of a percentage point), medical care and health expenses (+ 0,7 of a percentage point), food (+ 0,5 of a percentage point), education (+ 0,4 of a percentage point), fuel and power (+ 0,3 of a percentage point) and household operation (+ 0,3 of a percentage point). These annual increases were slightly counteracted by annual decreases in the price indices for clothing and footwear (- 0,1 of a percentage point) and recreation and entertainment (- 0,1 of a percentage point) (see table 9, p.16).

From October 2004 to November 2004 the CPIX for the historical metropolitan and other urban areas increased by 0,6%. This monthly increase is due to monthly increases in the price indices for food (+ 0,3 of a percentage point), transport (+ 0,2 of a percentage point, mainly due to a 17c/l increase in the price of petrol) and housing (+ 0,1 of a percentage point) (see table 10, p16).

#### **Core inflation rate**

The core inflation rate for the historical metropolitan and other urban areas (see explanatory notes 33, 34 and 35 on page 34) is 4,6% at November 2004 (i.e. the core index at November 2004 compared with that at November 2003). This rate is 0,4 of a percentage point higher than the corresponding annual rate of 4,2% at October 2004. From October 2004 to November 2004 the core index for the historical metropolitan and other urban areas increased by 0,5% and the seasonally adjusted index increased by 0,8%.

The annual increase of 4,6% in the core index for the historical metropolitan and other urban areas is mainly due to annual increases in the price indices for transport (+ 1,3 percentage points), medical care and health expenses (+ 0,8 of a percentage point), housing (+ 0,8 of a percentage point), education (+ 0,6 of a percentage point), fuel and power, (+ 0,3 of a percentage point) and household operation (+ 0,3 of a percentage point). These annual increases were slightly counteracted by annual decreases in the price indices for clothing and footwear (- 0,1 of a percentage point) and recreation and entertainment (- 0,1 of a percentage point) (see table 13, p.17).

From October 2004 to November 2004 the core index for the historical metropolitan and other urban areas increased by 0.5%. This monthly increase is due to monthly increases in the price indices for transport (+ 0.2 of a percentage point, mainly due to a 17c/1 increase in the price of petrol), food (+ 0.1 of a percentage point), housing (+ 0.1 of a percentage point) and household operation (+ 0.1 of a percentage point) (see table 14, p.17).

#### **Food inflation**

The price index for food reflects an annual rate of increase of 1,9% at November 2004 (i.e. the CPI for food at November 2004 compared with that at November 2003). This rate is the same as the corresponding annual rate of 1,9% at October 2004. From October 2004 to November 2004 this index increased by 1,0% and the seasonally adjusted index increased by 0,5%.

Annual increases occurred in the price indices for meat (+7,6%), "other" food products (+3,4%), fruit and nuts (+2,7%), milk, cheese and eggs (+2,2%), sugar (+1,6%) and fats and oils (+1,1%). These annual increases were partially counteracted by annual

decreases in the price indices for vegetables (- 8,1%), fish and other seafood (- 3,2%), grain products (- 1,1%) and coffee, tea and cocoa (- 0,8%) (see table 16, p.19).

Monthly increases occurred in the price indices for sugar (+3,0%), meat (+1,7%), fruit and nuts (+1,5%), grain products (+1,3%), milk, cheese and eggs (+1,1%), "other" food products (+0,6%) and coffee, tea and cocoa (+0,5%). These monthly increases were partially counteracted by monthly decreases in the price indices for and fish and other seafood (-0,7%), vegetables (-0,1%) and fats and oils (-0,1%) (see table 16, p.19).

#### **CPI** excluding food

The price index for non-food items reflects an annual rate of change of 4,2% at November 2004 (i.e. the CPI excluding food index at November 2004 compared with that at November 2003). This rate is 1,6 percentage points higher than the corresponding annual rate of 2,6% at October 2004. From October 2004 to November 2004 this index increased by 0,4% and the seasonally adjusted index increased by 0,6%.

Annual increases occurred in the price indices for cigarettes, cigars and tobacco (+10,0%), alcoholic beverages (+9,8%), education (+9,1%), medical care and health expenses (+9,1%), transport (+7,7%), fuel and power (+6,5%), household operation (+6,4%), reading matter (+4,6%), non-alcoholic beverages (+3,9%), communication (+2,9%), personal care (+2,6%) and housing (+1,2%). These annual increases were partially counteracted by annual decreases in the price indices for recreation and entertainment (-4,2%), clothing and footwear (-3,4%) and "other" products (-0,6%) (see table 16, p.19).

Relatively large monthly increases occurred in the price indices for transport (+1,0%), mainly due to a 17c/l increase in the price of petrol), cigarettes, cigars and tobacco (+0,9%), household operation (+0,9%) and reading matter (+0,7%). These monthly increases were counteracted by monthly decreases in the price indices for non-alcoholic beverages (-0,2%), recreation and entertainment (-0,1%) and furniture and equipment (-0,1%) (see table 16, p.19).

#### 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 November 2004 and the average index of the previous three months. This approach, when using seasonally adjusted data shows an increase of 3,2% (which is 0,8 of a percentage point higher than the corresponding annual change of 2,4% at October 2004), while the unadjusted data shows an increase of 1,9% (which is 0,9 of a percentage point higher than the corresponding rate of 1,0% for October 2004).

#### Areas indices

The Port Elizabeth/Uitenhage area recorded the highest annual inflation rate of 4,8%, while the lowest annual inflation rate of 2,7% was recorded for the other urban areas of Kwazulu-Natal (see table 21, p.24).

Regarding food prices, the highest annual inflation rate of 5,6% was recorded for the other urban areas of Mpumalanga, while the other urban areas of Limpopo recorded the lowest annual rate of change of - 0,4% (see table 22, p.25).

#### **Pensioners**

The East London area recorded the highest annual rate of increase of 7,7%, while the lowest annual rate of change of 2,8% was recorded for the other urban areas of Kwazulu-Natal (see table 27, p.29).

#### **NOTES**

# **Forthcoming** Issue Expected date for publication issues December 2004 26 January 2005

 January 2005
 23 February 2005

 February 2005
 30 March 2005

 March 2005
 26 April 2005

 April 2005
 25 May 2005

 May 2005
 29 June 2005

## 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.

# Rebasing the CPI from 1995=100 to 2000=100

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 (see table 2.2, p.14).

Stats SA releases detailed figures on the CPIX (see tables 17 and 18 on pages 20 and 21). 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 analytical accounts of the banking sector, the analytical accounts of the central bank, 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, government accounts, industry based statistics, social statistics, the production price index, consumer price index, labour market and population statistics.

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 ROSC 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 data ROSC for South Africa. This ROSC indicates to which extent South Africa has observed the IMF's requirements and is available at <a href="http://www.imf.org/external/np/rosc/rosc.asp">http://www.imf.org/external/np/rosc/rosc.asp</a>

Statistics South Africa 13 **P0141.1** 

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

		Indices (2000=100)		Percentage change between				
Expenditure group/Area indices	Nov	       Oct	         Nov	j	oct 2004 and Nov 2004	Nov 2003 and Nov 2004		
	2003	2004	2004	Actual	Seasonally adjusted %	Actual %		
Expenditure group indices			 	 				
Very low expenditure	129,3	   131,1 	   132,3 	+0,9	+1,0	+2,3		
Low expenditure	129,5	   131,6 	   132,7 	+0,8	+0,8	+2,5		
   Middle expenditure	125,8	   128,7 	   129,6 	+0,7	+0,8	+3,0		
High expenditure	126,0	   129,7 	   130,5 	+0,6	+0,8	+3,6		
Very high expenditure	118,8	122,7	   123,3 	+0,5	+0,6	+3,8		
All expenditure groups -   Historical metropolitan areas   Historical metropolitan and	120,8	124,6	125,3	+0,6	+0,6	+3,7		
other urban areas	121,4	125,2	125,9	+0,6	+0,6	+3,7		
CPI excluding interest rates on mortgage bonds (CPIX) - Historical metropolitan areas Historical metropolitan and other urban areas	126,0 125,9	131,2	132,0 131,7	+0,6	+0,2	+4,8 +4,6		
Core index -     Historical metropolitan areas     Historical metropolitan and	125,3	130,7		+0,5	+0,8	+4,9		
other urban areas	125,0	130,2	130,8	+0,5	+0,8	+4,6		
   Food only index -   Historical metropolitan areas   Historical metropolitan and	133,9	135,0	136,4	+1,0	+0,4	+1,9		
other urban areas	134,6	135,8	137,2	+1,0	+0,5	+1,9		
CPI excluding food -   Historical metropolitan areas   Historical metropolitan and	117,7	122,3	122,7	+0,3	+0,6	+4,2		
other urban areas	117,9	122,4	122,9	+0,4	+0,6	+4,2		
CPI excluding VAT   Historical metropolitan areas   Historical metropolitan and	120,8	124,6	     125,3	1)	+0,6	1)		
other urban areas	121,4	125,2	125,9	+0,6	+0,6	+3,7		

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

Table 2.1 - The Consumer Price Index and the annual inflation rate on a monthly basis for the historical metropolitan areas

Base year: 2000 = 100

Year	Index	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Ave.
2002	Index  % 1)	109,0 +5,0	110,2 +5,9	111,3 +6,2	113,1 +7,4	113,9 +7,8	114,7 +8,0	116,3 +9,6	116,9  +10,4	118,1 +11,2	119,9  +13,0	120,3 +12,9	120,5 +12,4	115,4   +9,2 2)
2003	Index  % 1)	121,6 +11,6	121,5 +10,3	122,7 +10,2	123,1 +8,8	122,8	122,4 +6,7	122,4 +5,2	122,9 +5,1	122,5 +3,7	121,7 +1,5	120,8 +0,4	120,9	122,1   +5,8 2)
2004	Index  % 1)	121,8 +0,2	122,4 +0,7	123,2 +0,4	123,4 +0,2	123,5 +0,6	123,9 +1,2	124,3 +1,6	124,1  +1,0	124,1 +1,3	124,6 +2,4	125,3 +3,7	 	2)

Table 2.2 - The Consumer Price Index excluding interest rates on mortgage bonds (CPIX) and the annual percentage change on a monthly basis for the historical metropolitan and other urban areas

Year	Index	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Ave.
2002	Index  % 1)	111,2 +7,1	111,8 +7,4	113,0 +7,7	114,2 +8,3	115,0 +8,6	116,1 +9,2	117,1 +9,1	117,9 +9,9	119,2 +10,8	120,3 +11,3	120,9 +11,3	121,1 +10,8	116,5 +9,3 2)
2003														124,4 +6,8 2)
2004	Index  % 1)	127,4	128,1 +4,8	128,9 +4,4	129,3 +4,4	129,4 +4,4	129,7  +5,0	130,1 +4,2	129,9 +3,7	130,3 +3,7	130,9 +4,2	131,7 +4,6		2)

Table 2.3 - Food Index and the annual percentage change on a monthly basis for the historical metropolitan areas

Base year: 2000 = 100

Year	Index  Ja	an.   Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Ave.
2002	Index   11 % 1)   +1	14,1  114,7 12,3  +11,7	116,5    +13,0	118,2  +14,2	118,8 +14,0	120,6  +15,9	122,2 +16,8	124,1 +18,1	126,4 +19,1	128,9 +19,8	129,7 +18,4	130,3 +16,1	122,0   +15,7 2)
2003	Index   13 % 1)   +1	31,8  131,0 15,5  +14,2	131,0    +12,4	131,3  +11,1	131,9 +11,0	131,0  +8,6	131,1 +7,3	131,8 +6,2	131,7 +4,2	132,5 +2,8	133,9 +3,2	133,7  +2,6	131,9   +8,1 2)
2004	Index   13	35,4   135,3 +2,7   +3,3	135,1   +3,1	134,9	134,9	134,5	133,7 +2,0	133,9	133,8	135,0	136,4 +1,9		2)

 <sup>% =</sup> annual inflation rate
 Average annual inflation rate

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

Group	Contribution at     October 2004	Contribution at   November 2004
Food	0,4	0,4
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	-0,8	0,2
Fuel and power	0,2	0,2
Household operation	0,4	0,3
Medical care and health expenses	0,7	0,7
Transport	0,9	1,2
Communication	0,1	0,1
Recreation and entertainment	-0,1	-0,1
Education	0,4	0,4
Personal care	0,1	0,1
Other	-0,1	0,0
All groups	2,4	3,7

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

Group	Contribution at October 2004	Contribution at   November 2004
Food Housing Transport	0,2 0,1 0,1	0,3 0,1 0,2
All groups	0,4	0,6

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

Group	Contribution at   October 2004	Contribution at     November 2004
Food	0,5	   0,5
	0,5	0,5
Non-alcoholic beverages	!	
Alcoholic beverages	0,2	0,2
Cigarettes, cigars and tobacco	0,1	0,1
Clothing and footwear	-0,1	-0,1
Housing	-0,7	0,2
Fuel and power	0,2	0,2
Household operation	0,3	0,3
Medical care and health expenses	0,7	0,7
Transport	0,9	j 1,1 j
Communication	0,1	0,1
Recreation and entertainment	-0,1	-0,1
Education	0,3	0,3
Personal care	0,1	i 0,1 i
Other	-0,1	0,0
All groups	2,5	3,7

Table 6 - Contributions of different groups to the monthly percentage change in the CPI for the historical metropolitan and other urban areas  ${}^{\prime}$ 

Group	Contribution at   October 2004	Contribution at     November 2004
Food Housing Fuel and power Transport	0,2 0,1 0,1 0,1	0,3 0,1 0,0 0,2
All groups	0,5	0,6

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

Group	Contribution at     October 2004	Contribution at     November 2004
Food	0,5	0.5
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 (excluding interest rate on mortgage bonds)	0,8	0,9
Fuel and power	0,2	0,2
Household operation	0,4	0,3
Medical care and health expenses	0,7	0,7
Transport	1,0	1,3
Communication	0,1	0,1
Recreation and entertainment	-0,1	-0,1
Education	0,4	0,4
Personal care	0,1	0,1
Other	-0,1	0,0
All groups	4,4	4,8

Table 8 - Contributions of different groups to the monthly percentage change in the CPIX for the historical metropolitan areas  ${}^{\prime}$ 

Group	Contribution at October 2004	Contribution at November 2004
Food   Housing (excluding interest rates on mortgage bonds)   Fuel and power   Transport	0,2 0,1 0,1 0,1	0,3 0,1 0,0 0,2
All groups	0,5	0,6

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

Group	Contribution at   October 2004	Contribution at     November 2004
Food	0,5	0,5
Non-alcoholic beverages	0,1	0,1
Alcoholic beverages	0,2	0,2
Cigarettes, cigars and tobacco	0,1	0,2
Clothing and footwear	-0,2	-0,1
Housing (excluding interest rate on mortgage bonds)	0,8	0,8
Fuel and power	0,3	0,3
Household operation	0,4	0,3
Medical care and health expenses	0,7	0,7
Transport	0,9	1,1
Communication	0,1	0,1
Recreation and entertainment	-0,1	-0,1
Education	0,4	0,4
Personal care	0,1	0,1
Other	-0,1	0,0
All groups	4,2	4,6

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

Group	Contribution at   October 2004	Contribution at   November 2004
Food Housing (excluding interest rate on mortgage bonds) Fuel and power Transport	0,2 0,1 0,1 0,1	0,3 0,1 0,0 0,2
All groups	0,5	0,6

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

Group	Contribution at   October 2004	Contribution at     November 2004
Food	0,1	0,1
Non-alcoholic beverages	0,1	0,1
Alcoholic beverages	0,2	0,2
Cigarettes, cigars and tobacco	0,1	0,2
Clothing and footwear	-0,2	-0,2
Housing	0,7	0,8
Fuel and power	0,2	0,3
Household operation	0,5	0,4
Medical care and health expenses	0,8	0,8
Transport	1,3	1,5
Communication	0,1	0,1
Recreation and entertainment	-0,1	-0,1
Education	0,6	0,6
Other	0,0	0,1
All groups	   4,4	4,9

Table 12 - Contributions of different groups to the monthly percentage change in the Core index for the historical metropolitan areas

Group	Contribution at   October 2004	Contribution at     November 2004
Food Housing Transport	0,0 0,1 0,2	0,2 0,1 0,2
All groups	0,3	0,5

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

Group	Contribution at   October 2004	Contribution at     November 2004
Non-alcoholic beverages	0.1	0,1
Alcoholic beverages	0,2	0,2
Cigarettes, cigars and tobacco	0,1	0,2
Clothing and footwear	-0,1	-0,1
Housing	0,7	0,8
Fuel and power	0,2	0,3
Household operation	0,4	0,3
Medical care and health expenses	0,8	0,8
Transport	1,1	1,3
Communication	0,1	0,1
Recreation and entertainment	-0,1	-0,1
Education	0,6	0,6
Personal care	0,1	0,1
All groups	4,2	   4,6

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

Group	Contribution at   October 2004	Contribution at     November 2004
Food Housing Fuel and power Household operation Transport	0,0 0,1 0,1 0,0 0,1	0,1 0,1 0,0 0,1 0,2
All groups	0,3	0,5

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

         Group/Product		   Indices   (2000=100)			Percentage change   between		
Group/Product	Weights        	Nov 2003	     Oct   2004	     Nov   2004	Oct 2004 and Nov 2004	   Nov 2003   and   Nov 2004	
CPI: All items	100,00	120,8	124,6	125,3	+0,6	+3,7	
Expenditure groups - Very low	0,91	129,3	131.1	132,3	+0,9	+2,3	
Low	1,76	129,5	131,6	132,7	+0,8	+2,5	
Middle	6,36	125,8	128,7	129,6	+0,7	+3,0	
High	14,57	126,0	129,7	130,5	+0,6	+3,6	
Very high	76,40	118,8	122,7	123,3	+0,5	+3,8	
Commodities Services	57,14   42,86	124,0 116,5	127,8 120,5	128,7 120,8	+0,7	+3,8 +3,7	
CPI: All items, excluding housing	77,86	123,4	128,1	128,9	+0,6	+4,5	
CPI: All items, excluding food	79,01	117,7	122,3	122,7	+0,3	+4,2	
Food	20,99	133,9	135,0	136,4	+1,0	+1,9	
Expenditure groups - Very low	51,39	134,2	133,0	134,8	+1,4	+0,4	
Low	49,01	135,3	135,0	136,7	+1,3	+1,0	
Middle	43,39	135,1	135,3	137,0	+1,3	+1,4	
High	33,07	134,5	135,4	137,0	+1,2	+1,9	
Very high	15,82	133,4	135,0	136,3	+1,0	+2,2	
Processed Unprocessed	11,91     9,08	134,5 132,9	136,3 133,1	137,5 134,9	+0,9 +1,4	+2,2 +1,5	
Grain products		131,4	129,1	131,4	+1,8	0,0	
Meat	5,66	133,6	140,6	142,9	+1,6	+7,0	
Fish and other seafood	0,69	132,5	128,7	128,4	-0,2	-3,1	
Milk, cheese and eggs	1,96	145,7	146,5	147,9	+1,0	+1,5	
Fats and oils	0,76	135,5	136,0	135,8	-0,1	+0,2	
Fruit and nuts	1,09	124,6	126,0	127,2	+1,0	+2,1	
Vegetables Sugar	2,00	134,5 129,3	125,0 125,7	124,4 130,1	-0,5 +3,5	-7,5 +0,6	
Coffee, tea and cocoa	1 1,07	123,3	121,7	122,5	+0,7	-0,5	
Other	3,45	135,0	139,1	140,2	+0,8	+3,9	
Non-alcoholic beverages Alcoholic beverages	1,10 1,40	133,0 132,9	138,8 145,8	138,2 146,1	-0,4 +0,2	+3,9 +9,9	
Cigarettes, cigars and tobacco	1,14	140,8	152,7	154,3	+1,0	+9,6	
Clothing and footwear	3,25	98,8	95,3	95,3	0,0	-3,5	
Clothing	2,04	100,9	95,3 96,7	95,3 96,8	+0,1	-3,5 -4,1	
Footwear	1,21	94,4		92,0	-0,3	-2,5	
Housing Fuel and power	22,14	111,4 124,1	112,2 131,4	112,6 131,9	+0,4	+1,1 +6,3	
Furniture and equipment		117,7	117,5	117,3	-0,2	-0,3	
Furniture	0,95	121,9	123,6	123,9	+0,2	+1,6	
Appliances	0,80	121,3	118,4	118,2	-0,2	-2,6	
Other household equipment and textiles	0,78	108,7	108,9	108,5	-0,4	-0,2	
Household operation		124,4	131,2	132,2	+0,8	+6,3	
Household consumables	1,25	127,2	128,2	129,3	+0,9	+1,7	
Domestic workers	3,48	123,7	132,7	133,6	+0,7	+8,0	
Other household services	0,09	110,9	114,0	114,3	+0,3	+3,1	
Medical care and health expenses	7,15	138,0	150,6	150,6	0,0	+9,1	
Transport	14,84	117,0	125,4	126,8	+1,1	+8,4	
Vehicles	5,95	119,1	117,7	117,4	-0,3	-1,4	
Running cost Petrol	7,05     1/	118,8 113,4	137,0 138,7	140,1 143,7	+2,3	+17,9 +26,7	
Public and hired transport	1,84	107,5	109,9	110,3	+0,4	+20,7	
Communication	2,98	121,8	125,5	125,5	0,0	+3,0	
Recreation and entertainment	3,31	101,1	97,7	97,5	-0,2	-3,6	
Reading matter	0,39	124,2	128,9	130,1	+0,9	+4,8	
Education	3,48	132,8	145,5	145,5	0,0	+9,6	
Personal care Other	3,67     3,32	125,7 103,2	127,7 102,6	127,5 102,6	-0,2 0,0	+1,4 -0,6	

 $<sup>1/% \</sup>left( \frac{1}{2}\right) =\frac{1}{2}\left( \frac{1}{2}\right) +\frac{1}{2}\left( \frac{1}{2}\right) +\frac{1}{2}\left($ 

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

Green (Duradust	        Weights		Indices (2000=100)		Percent	age change
Group/Product	Weights 	Nov 2003	     Oct   2004	     Nov   2004	Oct 2004 and Nov 2004	   Nov 2003   and   Nov 2004
CPI: All items	  100,00	121,4	125,2	125,9	+0,6	+3,7
Expenditure groups - Very low	1,39	130,0	131,8	133,1	+1,0	+2,4
Low	2,26	129,0	131,1	132,2	+0,8	+2,5
Middle	8,11	127,7	130,6	131,5	+0,7	+3,0
High	16,96	125,7	129,4	130,2	+0,6	+3,6
Very high	71,28	119,2	123,2	123,8	+0,5	+3,9
Commodities Services	59,42     40,58	125,0 116,5	128,5 120,7	129,5 121,0	+0,8	+3,6 +3,9
CPI: All items, excluding housing	79,30	123,9		129,2	+0,6	+4,3
PI: All items, excluding food	76,98	117,9	122,4	122,9	+0,4	+4,2
rood	23,02	134,6	135,8	137,2	+1,0	+1,9
Expenditure groups - Very low	51,24	134,1	132,7	134,3	+1,2	+0,1
Expenditure groups - Very low  Low	51,24	134,1	132,7	134,3	+1,2	+0,1
Middle	43,93	135,4	135,7	137,2	+1,1	+1,3
High	33,68	135,2	136,4	137,8	+1,0	+1,9
Very high	16,69	134,4	136,1	137,5	+1,0	+2,3
Processed	12,81	135,1	137,0	138,1	+0,8	+2,2
Unprocessed	10,21	134,1	134,3	136,2	+1,4	+1,6
Grain products	4,34	132,3	129,2	130,9	+1,3	-1,1
Meat Fish and other seafood	6,23     0,70	134,4 136,9	142,2 133,4	144,6 132,5	+1,7 -0,7	+7,6 -3,2
Milk, cheese and eggs	2,10	145,0	146,6	148,2	+1,1	+2,2
Fats and oils	0,84	134,7	136,3	136,2	-0,1	+1,1
Fruit and nuts	1,13	128,1	129,6	131,5	+1,5	+2,7
Vegetables	2,18	134,5	123,7	123,6	-0,1	-8,1
Sugar	0,62	130,6	128,8	132,7	+3,0	+1,6
Coffee, tea and cocoa Other	1,14     3,74	123,1 137,5	121,5 141,4	122,1 142,2	+0,5	-0,8 +3,4
Non-alcoholic beverages Alcoholic beverages	1,13     1,52	131,5 131,9	136,9 144,4	136,6 144,8	-0,2 +0,3	+3,9 +9,8
Cigarettes, cigars and tobacco	1,21	143,4	156,4	157,8	+0,9	+10,0
Clothing and footwear	3,64	97,9	94,6	94,6	0,0	-3,4
Clothing	2,27	100,2	96,1	96,3	+0,2	-3,9
Footwear	1,37	93,9	91,7	91,4	-0,3	-2,7
Housing Fuel and power	20,70	112,1 124,1	113,1 131,6	113,4 132,2	+0,3	+1,2 +6,5
Furniture and equipment	2,82	116,3	116,4	116,3	-0,1	0,0
Furniture	1,08	119,9	122,3	122,6	+0,2	+2,3
Appliances Other household equipment and	0,84	120,4	117,7	117,6	-0,1	-2,3
textiles	0,90	107,6	107,6	107,1	-0,5	-0,5
Household operation	4,68	125,6	132,4	133,6	+0,9	+6,4
Household consumables Domestic workers	1,34	129,9	131,6	133,2	+1,2	+2,5 +8,0
Other household services	3,22   0,12	124,3 111,2	133,3 114,8	134,3 115,0	+0,8	+3,4
Medical care and health expenses	6,90	138,1	150,5	150,6	+0,1	+9,1
Transport	13,72	116,2	123,9	125,2	+1,0	+7,7
Vehicles	5,11	117,7	116,5	116,3	-0,2	-1,2
Running cost	6,56	118,5	135,1	138,0	+2,1	+16,5
Petrol Public and hired transport	1/   2,05	111,8 106,1	134,0 108,0	138,4 108,2	+3,3	+23,8 +2,0
- Communication	2,86	122,1	125,5	125,6	+0,1	+2,9
Communication Recreation and entertainment	2,86	101,2	125,5 97,1	125,6 97,0	+0,1	+2,9 -4,2
Reading matter	0,36	123,1	127,9	128,8	+0,7	+4,6
Education	3,38	132,4	144,4	144,4	0,0	+9,1
Personal care	3,92	127,6	130,7	130,9	+0,2	+2,6
Other	3,26	103,0	102,3	102,4	+0,1	-0,6

 $<sup>1/% \</sup>left( \frac{1}{2}\right) =\frac{1}{2}\left( \frac{1}{2}\right) =\frac{1}{2}\left($ 

Statistics South Africa 20 **P0141.1** 

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

Group/Product	           		Indices (2000=100)		Percentage char between	
-	Weights          	Nov 2003	     Oct   2004	     Nov   2004	Oct 2004 and Nov 2004	   Nov 2003   and   Nov 2004
CPI: All items	100,00	126,0	131,2	132,0	+0,6	+4,8
Expenditure groups - Very low	0,91	129,8	131,6	132,9	+1,0	+2,4
Low	1,76	130,2	132,4	133,5	+0,8	+2,5
Middle	6,36	129,7	132,9	133,8	+0,7	+3,2
High	14,57	129,1	133,4	134,3	+0,7	+4,0
Very high	76,40	125,1	130,8	131,5	+0,5	+5,1
Commodities Services	64,50   35,50	124,0 129,3	127,8 137,3	128,7 137,7	+0,7	+3,8 +6,5
CPI: All items, excluding housing	33,30	124,0	137,3		+0,6	+4,4
PI: All items, excluding food	76,29	124,0		131,1	+0,4	+5,7
ood	23,71	133,9		136,5	+1,1	+1,9
	į į	•				
Expenditure groups - Very low	51,39	134,3	133,1	134,9	+1,4	+0,4
Low Middle	49,01     43,39		134,9 135,4	136,7 137,1	+1,3	+1,1 +1,5
Middle High	43,39	135,1	135,4	136,8	+1,3	+1,5
Very high	15,82	133,5	135,2	136,4	+1,0	+2,2
Processed	13,45	134,5	136,3		+0,9	+2,2
Unprocessed	10,26	132,9	133,1	134,9	+1,4	+1,5
Grain products Meat	4,31     6,40	131,4 133,6	129,1 140,6	131,4 142,9	+1,8	0,0 +7,0
Fish and other seafood	0,76	132,5	128,7	128,4	-0,2	-3,1
Milk, cheese and eggs	2,21		146,6	148,0	+1,0	+1,5
Fats and oils	0,86	135,5	136,1	135,8	-0,2	+0,2
Fruit and nuts	1,23	124,6	126,0	127,2	+1,0	+2,1
Vegetables	2,26	134,5	124,9	124,3	-0,5	-7,6
Sugar	0,57		125,7	130,1	+3,5	+0,6
Coffee, tea and cocoa Other	1,21	123,1 135,0	121,7 139,1	122,5 140,2	+0,7	-0,5 +3,9
on-alcoholic beverages	1,24	133,0		138,2	-0,4	+3,9
llcoholic beverages	1,58	132,9	145,8	146,1	+0,2	+9,9
digarettes, cigars and tobacco	1,29	140,8	152,7	154,3	+1,0	+9,6
Clothing and footwear	3,67		95,2	95,2	0,0	-3,5
Clothing	1 1	101,0	96,7	96,9	+0,2	-4,1
Footwear	1,36	94,4	92,3	92,0	-0,3	-2,5
Mousing Tuel and power	12,10 3,94	140,4 124,1	149,1 131,5	149,8 131,9	+0,5	+6,7 +6,3
urniture and equipment	2,86	117,7	117,5	117,3	-0,2	-0,3
Furniture and equipment	1,08	121,9	123,6	123,9	+0,2	+1,6
Appliances	0,90	121,3	118,4	118,2	-0,2	-2,6
Other household equipment and textiles	0,88	108,7	108,9	108,5	-0,4	-0,2
ousehold operation	5,45	124,6	131,4	132,3	+0,7	+6,2
Household consumables	1,42	127,1	128,1	129,2	+0,9	+1,7
Domestic workers	3,93	123,7	132,7	133,6	+0,7	+8,0
Other household services	0,10	110,8	113,9	114,2	+0,3	+3,1
edical care and health expenses	8,07	138,0	150,6	150,6	0,0	+9,1
ransport	16,75	117,0	125,4	126,8	+1,1	+8,4
Vehicles	6,72	119,2	117,8	117,6	-0,2	-1,3
Running cost Public and hired transport	7,96     2,07	118,8 107,5	137,0 109,9	140,1 110,3	+2,3	+17,9 +2,6
	į į					
Communication	3,36	121,8	125,5	125,6	+0,1	+3,1
Recreation and entertainment Reading matter	3,73	101,1 124,3	97,7 129,0	97,5 130,2	-0,2 +0,9	-3,6 +4,7
Education	3,93		145,6	145,6	0,0	+9,6
Personal care	4,14		127,7	127,5	-0,2	+1,4
Other	3,75		102,5	102,5	0,0	-0,6

Statistics South Africa 21 **P0141.1** 

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

Indices Percentage change (2000=100) between Group/Product |Weights|-----Oct 2004 Nov 2003 Nov | Oct | Nov | 2003 | 2004 | 2004 | and and Nov 2004 Nov 2004 131,7 125,9 CPI: All items 1100.00 130,9 +0.6 +4.6 133,7 133,2 132,8 133,1 131,1 132,5 +0,9 Expenditure groups - Very low 1,39 130,6 +2,4 +0,8 2,26 129,8 132,1 +2,6 +0,8 +0,7 Middle 8,11 128,8 131,9 +3,1 16,96 128.1 132.2 +0.7 Hiah +3.9 Very high 124.8 Commodities 66.24 124.8 128.3 129.3 +0.8 +3.6 135,9 127,9 136.3 +0,3 Services 33,76 +6.6 CPI: All items, excluding housing 88,43 124,2 128,6 129,4 +0,6 +4,2 CPI: All items, excluding food 74,34 123,1 129,3 129,9 +0,5 +5,5 Food 25,66 134,7 135,8 137,3 +1,1 +1,9 51,24 134,2 132,8 134,3 Expenditure groups - Very low +1.1 +0.1 134,4 49,72 134,8 136,0 +1,2 +0,9 Middle +1,1 137,1 137,9 43,93 135,3 135,6 +1,3 136,4 +2,0 High 33,68 135,2 +1,1 Very high 16,69 134,4 136,0 137,4 +1,0 +2,2 138,1 +0,8 136,2 +1,4 137.0 Processed 14,26 135.1 +2.2 134,3 Unprocessed 11,40 134,1 +1,6 130,9 144,6 132,5 148,3 136,3 131,4 124,8 132,8 122,1 142,2 Grain products 4.84 132.3 129.2 +1.3 -1.1 +1,7 Meat 6,95 0,78 134,4 136,9 142,2 +7,6 Fish and other seafood 133,4 -3,2Milk, cheese and eggs 145.0 146,7 +1,1 +2,3 Fats and oils 0,93 134.8 136,3 0,0 +1,1 Fruit and nuts 1,26 128,0 129,5 +1,5 +2.7 -0,1 +3,1 +0,5 +0,6 Vegetables 124,9 2,43 135,8 -8,1 0,69 130,6 128,8 Sugar -0,8 Coffee, tea and cocoa 1,27 123,1 121,5 Other 4,17 137,5 141,4 +3,4 136,6 144,8 136,9 144,4 -0,2 +0,3 +3,9 +9,8 Non-alcoholic beverages 1,26 131,5 Alcoholic beverages 1.70 131,9 157,9 156,4 +10,1 Cigarettes, cigars and tobacco 1,35 143,4 +1,0 94,6 96 ¹ 94,6 96,3 91,4 97.9 0.0 Clothing and footwear 4.06 -3.4Clothing 2,53 100.2 +0.2 -3.991,7 Footwear 1,53 93,9 -0,3 -2,7 Housing 139.1 147.7 148.3 11.57 +0.4 +6.6 Fuel and power 124,1 131,7 132,2 4,28 +0,4 +6,5 116,4 0,0 Furniture and equipment 3.15 116.3 116.3 -0.1 Furniture 1,21 119.9 122.3 122.6 +0.2 +2.3 Appliances 0,94 120,4 117,7 117,6 -0,1 -2,3 Other household equipment and 107,6 107,1 textiles 1.00 107,6 -0.5 -0.55,22 125,6 132,4 133,6 +0,9 Household operation +6.4 Household consumables 129,9 131,6 133,3 +1,3 +2,6 Domestic workers 3,59 124,3 133,3 134,3 +0.8 +8,0 Other household services 0,13 111.3 114,8 115,0 +0.2 +3,3 Medical care and health expenses 7,70 138,1 150,5 150,6 +0,1 +9,1 +1,0 -0.3 125,2 116,3 138,0 108,2 15,30 123,9 +7,7 116.2 Transport 116,6 Vehicles 5,69 117,7 -0,3 -1,2 Running cost 7,32 118,6 135,1 +2,1 +16,4 8, J8,2 125,5 97,0 128,7 144,4 0,0 10,9 +0,1 -----Public and hired transport 2.29 106.1 108.0 +2,0 3,19 122,0 125,4 +2,9 Recreation and entertainment 3,39 101,2 97,1 127,8 -0,1 +0,7 -4,2 Reading matter 0.40 123.0 +4.6 Education 3,77 132,4 144,4 +9.1 +0,1 4,37 127,6 130,8 Other 103,0 3,63 102,3 -0,6

Table 19 - Consumer Price Index group and product indices according to COICOP¹) and percentage change for the historical metropolitan areas

Group/Product   W			Indices (2000=100)		Percenta   between	age change
		Nov 2003	   Oct   2004	   Nov   2004	Oct 2004 and Nov 2004	   Nov 2003   and   Nov 2004
CPI: All items	100,00	120,8	124,6	125,3	+0,6	+3,7
Expenditure groups - Very low	   0,91	129,3	131,1	132,3	+0,9	+2,3
Low	1,76	129,5	131,6	132,7	+0,8	+2,5
Middle   High	6,36     14,57	125,8 126,0	128,7 129,7	129,6 130,5	+0,7	+3,0 +3,6
Nery high	76,40	118,8	122,7	123,3	+0,5	+3,8
Commodities		124 0	107 0	120 7	+0,7	+3,8
Services	57,14     42,86	124,0 116,5	127,8 120,5	128,7 120,8	+0,7	+3,8
CPI: All items, excluding housing	77,86	123,4	128,1	128,9	+0,6	+4,5
CPI: All items, excluding food	80,08	117,7	122,3	122,7	+0,3	+4,2
Food, beverages and tobacco	24,63	134,6	137,1	138,3	+0,9	+2,7
Food excluding coffee, tea and cocoa	19,92	134,1	135,4	136,9	+1,1	+2,1
Grain products	3,81	131,4	129,1	131,4	+1,8	0,0
Meat   Fish and other seafood	5,66     0,69	133,6 132,5	140,6 128,7	142,9 128,4	+1,6 -0,2	+7,0 -3,1
Milk, cheese and eggs	1,96	145,7	146,5	147,9	+1,0	+1,5
Fats and oils	0,76	135,5	136,0	135,8	-0,1	+0,2
Fruit and nuts	1,09	124,6	126,0	127,2	+1,0	+2,1
Vegetables	2,00	134,5	125,0	124,4	-0,5	-7,5
Sugar Other	0,50   3,45	129,3 135,0	125,7 139,1	130,1 140,2	+3,5	+0,6 +3,9
Beverages	3,57	130,3	136,7	136,9	+0,1	+5,1
Coffee, tea and cocoa	1,07	123,1	121,7	122,5	+0,7	-0,5
Non-alcoholic beverages Alcoholic beverages	1,10     1,40	133,0 132,9	138,8 145,8	138,2 146,1	-0,4+0,2	+3,9 +9,9
Tobacco Cigarettes, cigars and tobacco	1,14	140,8	152,7	154,3	+1,0	+9,6
Clothing and footwear	3,25	98,8	95,3	95,3	0,0	-3,5
Clothing   Footwear	2,04   1,21	100,9 94,4	96,7 92,3	96,8 92,0	+0,1	-4,1 -2,5
Housing, water, electricity, gas and other fuels	25 63	112 0	114.0	115.0	.0.3	.1 0
Housing, water, electricity, gas and other fuels   Housing	25,63     22,14	113,2 111,4	114,9 112,2	115,3 112,6	+0,3	+1,9 +1,1
Fuel and power	3,49	124,1	131,4	131,9	+0,4	+6,3
Furnishings, household equipment and routine	7,35	122 6	127 0	127,6	j +0.5	+4 1
maintenance of the house Furniture and equipment	2,53	122,6 117,7	127,0 117,5	117,3	+0,5	+4,1 -0,3
Furniture	0,95	121,9	123,6	123,9	+0,2	+1,6
Appliances Other household equipment and	0,80   	121,3	118,4	118,2	-0,2	-2,6
textiles	0,78	108,7	108,9	108,5	-0,4	-0,2
Household operation Household consumables	4,82	124,4 127,2	131,2	132,2 129,3	+0,8	+6,3 +1.7
Household consumables   Domestic workers	1,25     3,48	127,2	128,2 132,7	133,6	+0,9	+1,7 +8,0
Other household services	0,09	110,9	114,0	114,3	+0,3	+3,1
Health (Medical care and health expenses)	7,15	138,0	150,6	150,6	0,0	+9,1
Transport	14,84	117,0	125,4	126,8	+1,1	+8,4
Vehicles Running cost	5,95   7,05	119,1	117,7 137,0	117,4 140,1	-0,3 +2,3	-1,4 +17,9
Running Cost   Petrol	/,U5   	118,8 113,4	137,0	140,1	+2,3	+17,9
Public and hired transport	1,84	107,5	109,9	110,3	+0,4	+2,6
Leisure, entertainment and culture	3,70	106,7	104,0	103,9	-0,1	-2,6
Recreation and entertainment Reading matter	3,31 0,39	101,1 124,2	97,7 128,9	97,5 130,1	-0,2	-3,6 +4,8
   Education	3,48	132,8	145,5	145,5	0,0	+9,6
Miscellaneous goods and services	9,97	113,9	115,3	115,2	-0,1	+1,1
Communication	2,98	121,8	125,5	125,5	0,0	+3,0
Personal care	3,67   3,32	125,7 103,2	127,7 102,6	127,5 102,6	-0,2	+1,4

<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 historical metropolitan and other urban areas

Group/Product   V		Indices (2000=100)			Percentage change between		
		Nov 2003	     Oct   2004	   Nov   2004	Oct 2004 and Nov 2004	   Nov 2003   and   Nov 2004	
CPI: All items	100,00	121,4	125,2	125,9	+0,6	+3,7	
Expenditure groups - Very low Low	1,39 2,26	130,0 129,0	131,8 131,1	133,1 132,2	+1,0+0,8	+2,4 +2,5	
Middle High	8,11     16,96	127,7 125,7	130,6 129,4	131,5 130,2	+0,7	+3,0 +3,6	
Very high	71,28	119,2	123,2	123,8	+0,5	+3,0	
Commodities Services	   59,42     40,58	125,0 116,5	128,5 120,7	129,5 121,0	+0,8	+3,6 +3,9	
CPI: All items, excluding housing	   79,30	123,9	128,4	129,2	+0,6	+4,3	
CPI: All items, excluding food	78,12	117,9	122,4	122,9	+0,4	+4,2	
Food, beverages and tobacco	26,88	134,9	137,5	138,8	+0,9	+2,9	
Food excluding coffee, tea and cocoa	21,88	134,9	136,2	137,7	+1,1	+2,1	
Grain products	4,34	132,3	129,2	130,9	+1,3	-1,1	
Meat Fish and other seafood	6,23     0,70	134,4 136,9	142,2 133,4	144,6 132,5	+1,7 -0,7	+7,6 -3,2	
Milk, cheese and eggs	2,10	145,0	146,6	148,2	+1,1	+2,2	
Fats and oils	0,84	134,7	136,3	136,2	-0,1	+1,1	
Fruit and nuts Vegetables	1,13     2,18	128,1 134,5	129,6 123,7	131,5 123,6	+1,5 -0,1	+2,7 -8,1	
Sugar	0,62	130,6	128,8	132,7	+3,0	+1,6	
Other	3,74	137,5	141,4	142,2	+0,6	+3,4	
Beverages Coffee, tea and cocoa	3,79	129,2	135,3	135,6	+0,2	+5,0 -0,8	
Non-alcoholic beverages	1,14     1,13	123,1 131,5	121,5 136,9	122,1 136,6	-0,2	+3,9	
Alcoholic beverages	1,52	131,9	144,4	144,8	+0,3	+9,8	
Tobacco Cigarettes, cigars and tobacco	1,21	143,4	156,4	157,8	+0,9	+10,0	
Clothing and footwear	3,64	97,9	94,6	94,6	0,0	-3,4	
Clothing Footwear	2,27     1,37	100,2 93,9	96,1 91,7	96,3 91,4	+0,2	-3,9 -2,7	
Housing, water, electricity, gas and other fuels		113,8	115,8	116,2	+0,3	+2,1	
Housing Fuel and power	20,70	112,1 124,1	113,1 131,6	113,4 132,2	+0,3	+1,2	
	3,04	124,1	131,0	132,2	+0,5	+0,3	
Furnishings, household equipment and routine maintenance of the house	7,50	122,3	126,6	127,3	+0,6	+4,1	
Furniture and equipment	2,82	116,3	116,4	116,3	-0,1	0,0	
Furniture Appliances	1,08     0,84	119,9 120,4	122,3 117,7	122,6 117,6	+0,2	+2,3 -2,3	
Other household equipment and	j j						
textiles Household operation	0,90   4,68	107,6 125,6	107,6 132,4	107,1 133,6	-0,5 +0,9	-0,5 +6,4	
Household consumables	1,34	129,9	131,6	133,0	+1,2	+2,5	
Domestic workers Other household services	3,22 0,12	124,3 111,2	133,3 114,8	134,3 115,0	+0,8	+8,0 +3,4	
Health (Medical care and health expenses)	6,90	138,1	150,5	150,6	+0,1	+9,1	
Transport	13,72	116,2	123,9	125,2	+1,0	+7,7	
Vehicles Running cost	5,11   6,56	117,7 118,5	116,5 135,1	116,3 138,0	-0,2 +2,1	-1,2 +16,5	
Petrol	0,50	111,8	134,0	138,4	+3,3	+23,8	
Public and hired transport	2,05	106,1	108,0	108,2	+0,2	+2,0	
Leisure, entertainment and culture	3,40	106,5	103,2	103,2	0,0	-3,1	
Recreation and entertainment Reading matter	3,04	101,2 123,1	97,1 127,9	97,0 128,8	-0,1 +0,7	-4,2 +4,6	
Education	3,38	132,4	144,4	144,4	0,0	+9,1	
Miscellaneous goods and services	10,04	114,5	116,3	116,4	+0,1	+1,7	
Communication	2,86	122,1	125,5	125,6	+0,1	+2,9	
Personal care	3,92	127,6	130,7	130,9	+0,2	+2,6	

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

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

			Indices (2000=100)		Percenta between	ge change
Urban area	Weights	Nov 2003	   Oct   2004	Nov 2004	Oct 2004 and Nov 2004	Nov 2003   and   Nov 2004
Western Cape	17,62	122.3	126.0	126,5	+0,4	+3,4
Cape Peninsula	11,88	121,1	124,4	124,9	+0,4	+3,1
Other urban areas	5,74	124,1	128,5	129,0	+0,4	+3,9
Eastern Cape	5,40	122,6	127,2	128,1	+0,7	+4,5
Port Elizabeth/Uitenhage	2,28	121,7	126,5	127,5	+0,8	+4,8
East London	1,10	122,1	126,8	127,4	+0,5	+4,3
Other urban areas	2,02	123,9	128,3	129,0	+0,5	+4,1
Northern Cape	1,01	123,6	127,6	128,4	+0,6	+3,9
Kimberley	0,41	124,4	127,5	128,2	+0,5	+3,1
Other urban areas	0,60	123,8	128,5	129,4	+0,7	+4,5
Free State	4,79	117,7	121,0	122,0	+0,8	+3,7
Bloemfontein	1,59	117,6	121,3	122,2	+0.7	+3,9
Free State Goldfields	1,22	119,0	122,7	123,6	+0,7	+3,9
Other urban areas	1,98	117,0	119,8	120,9	+0,9	+3,3
KwaZulu-Natal	20,47	122,4	125,5	126,3	+0,6	+3,2
Durban/Pinetown	7,19	122,1	126,1	126,6	+0,4	+3,7
Pietermaritzburg	1,34	122,8	127,1	127,8	+0,6	+4,1
Other urban areas	11,94	122,4	124,8	125,7	+0,7	+2,7
North West	2,61	121,5	124,8	125,8	+0,8	+3,5
Gauteng	42,98	120,7	124,7	125,3	+0,5	+3,8
Pretoria/Centurion/Akasia	11,13	119,3	123,9	124,8	+0,7	+4,6
Witwatersrand	24,53	121,2	124,8	125,4	+0,5	+3,5
Other urban areas	7,32	121,9	126,1	126,6	+0,4	+3,9
Mpumalanga	3,63	122,9	127,4	128,0	+0,5	+4,1
Nelspruit/Witbank	1,12	120,6	123,3	124,4	+0,9	+3,2
Other urban areas	2,51	124,1	129,2	129,7	+0,4	+4,5
Limpopo Province	1,49	118,4	122,0	122,5	+0,4	+3,5
Polokwane (Pietersburg)	0,21	112,5	116,1	116,6	+0,4	+3,6
Other urban areas	1,28	121,0	124,5	125,0	+0,4	+3,3
PI for the historical etropolitan and other urban areas	100,00	121,4	125,2	125,9	+0,6	+3,7
PI for the historical etropolitan areas	64,02	120,8	124,6	125,3	+0,6	+3,7

Statistics South Africa 25 **P0141.1** 

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

			Indices (2000=100)		   Percenta   between	age change
Urban area   	Weights        	Nov 2003	   Oct   2004	   Nov   2004	Oct 2004 and Nov 2004	Nov 2003   and   Nov 2004
Western Cape	17,88	133,5	134,3	134,9	+0,4	+1,0
Cape Peninsula	10,85	134,6	134,8	135,4	+0,4	+0,6
Other urban areas	7,03	133,8	135,4	136,0	+0,4	+1,6
   Eastern Cape	5,56	138,7	140,7	142,3	+1,1	+2,6
Port Elizabeth/Uitenhage	2,28	138,6	141,0	142,9	+1,3	+3,1
East London	0,76	137,5	139,7	142,5	+2,0	+3,6
Other urban areas	2,52	140,3	141,9	143,0	+0,8	+1,9
   Northern Cape	1,21	132,5	133,4	135,1	+1,3	+2,0
Kimberley	0,43	135,8	134,6	136,5	+1,4	+0,5
Other urban areas	0,78	132,5	134,6	136,1	+1,1	+2,7
   Free State	4,92	131,9	134,1	136,6	   +1,9	+3,6
Bloemfontein	1,51	141,2	145,1	148,1	+2,1	+4,9
Free State Goldfields	1,05	130,3	133,1	135,1	+1,5	+3,7
Other urban areas	2,36	129,2	130,1	132,5	+1,8	+2,6
   KwaZulu-Natal		141,6	141,2	143,1	   +1,3	+1,1
Durban/Pinetown	6,78	142,1	143,5	145,0	+1,0	+2,0
Pietermaritzburg	1,68	137,5	139,5	140,2	+0,5	+2,0
Other urban areas	12,89	141,8	140,0	142,3	+1,6	+0,4
North West	2,72	136,1	136,4	138,2	+1,3	+1,5
   Gauteng	41,19	131,7	133,3	134,8	+1,1	+2,4
Pretoria/Centurion/Akasia	8,22	130,6	131,4	133,1	+1,3	+1,9
Witwatersrand	23,82	131,7	132,9	134,4	+1,1	+2,1
Other urban areas	9,15	132,9	136,6	137,5	+0,7	+3,5
   Mpumalanga	3,65	139,3	144,6	146,1	+1,0	+4,9
Nelspruit/Witbank	0,90	137,2	137,1	141,1	+2,9	+2,8
Other urban areas	2,75	140,1	147,3	147,9	+0,4	+5,6
   Limpopo Province	   1,52	138,8	138,2	139,2	+0,7	+0,3
Polokwane (Pietersburg)	0,13	141,8	142,2	143,8	+1,1	+1,4
Other urban areas	1,39	137,7	136,5	137,2	+0,5	-0,4
  CPI for the historical					 	
metropolitan and other urban areas	100,00	134,6	135,8	137,2	+1,0	+1,9
  CPI for the historical  metropolitan areas	58,44	133,9	135,0	136,4	+1,0	+1,9

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

			Percentage change between			
Urban area	Weights -	Nov 2003		Nov 2004	Oct 2004 and Nov 2004	Nov 2003   and   Nov 2004
Western Cape	17,28	124.3	128,1	128.7	+0.5	+3,5
Cape Peninsula	11,27	124,3	127,9	128,5	+0,5	+3,4
Other urban areas	6,01	125,0	129,2	129,7	+0,4	+3,8
Eastern Cape	5,90	126,2	131,6	132,5	+0,7	+5,0
Port Elizabeth/Uitenhage	2,22	127,2	133,2	134,3	+0,8	+5,6
East London	1,60	125,8	131,4	132,2	+0,6	+5,1
Other urban areas	2,08	126,9	131,6	132,2	+0,5	+4,2
Northern Cape	0,73	124,4	129,1	130,1	+0,8	+4,6
Kimberley	0,11	126,5	130,6	131,4	+0,6	+3,9
Other urban areas	0,62	124,5	129,6	130,7	+0,8	+5,0
Free State	4,87	118,5	122,3	123,4	+0,9	+4,1
Bloemfontein	1,46	120,6	125,2	126,4	+1,0	+4,8
Free State Goldfields	1,26	119,7	123,6	124,6	+0,8	+4,1
Other urban areas	2,15	117,1	120,3	121,5	+1,0	+3,8
KwaZulu-Natal	20,43	126,3	130,4	131,3	+0,7	+4,0
Durban/Pinetown	7,09	125,4	130,8	131,5	+0,5	+4,9
Pietermaritzburg	1,36	125,5	131,0	131,8	+0,6	+5,0
Other urban areas	11,98	126,6	129,6	130,7	+0,8	+3,2
North West	2,59	126,3	130,2	131,4	+0,9	+4,0
Gauteng	42,97	122,7	127,5	128,2	+0,5	+4,5
Pretoria/Centurion/Akasia	11,28	121,0	126,4	127,4	+0,8	+5,3
Witwatersrand	24,08	123,3	127,9	128,5	+0,5	+4,2
Other urban areas	7,61	123,2	128,0	128,6	+0,5	+4,4
Mpumalanga	3,69	127,4	133,1	133,9	+0,6	+5,1
Nelspruit/Witbank	1,04	126,1	130,5	131,9	+1,1	+4,6
Other urban areas	2,65	128,1	134,3	134,8	+0,4	+5,2
Limpopo Province	1,54	119,9	124,6	125,1	+0,4	+4,3
Polokwane (Pietersburg)	0,17	118,5	124,6	125,1	+0,4	+5,6
Other urban areas	1,37	121,0	124,6	125,0	+0,3	+3,3
PI for the historical etropolitan and other urban are	as 100,00	123,9	128,4	129,2	+0,6	+4,3
PI for the historical etropolitan areas	62,96	123,4	128,1	128,9	     +0,6	+4,5

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

			Indices (2000=100)		Percenta between	ige change
Urban area	Weights -	Nov 2003	   Oct     2004	Nov 2004	Oct 2004 and Nov 2004	Nov 2003   and   Nov 2004
Western Cape	17,46	119,4	124.0	124,4	+0,3	+4,2
Cape Peninsula	12,13	118,0	122,2	122,6	+0,3	+3.9
Other urban areas	5,33	121,1	126,6	127,0	+0,3	+4,9
Eastern Cape	5,31	118,0	123,4	124,0	+0,5	+5,1
Port Elizabeth/Uitenhage	2,26	116,7	122,3	123,1	+0,7	+5,5
East London	1,19	119,6	124,7	125,0	+0,2	+4,5
Other urban areas	1,86	118,8	124,4	125,0	+0,5	+5,2
Northern Cape	1 1,48	120,4	125,7	126,2	+0,4	+4,8
Kimberley	0,94	120,0	124,5	124,7	+0,2	+3,9
Other urban areas	0,54	120,6	126,5	127,2	+0,6	+5,5
Free State	4,72	113,2	116,9	117.4	+0,4	+3.7
Bloemfontein	1,60	111,9	115,6	115,9	+0,3	+3,6
Free State Goldfields	1,26	116,0	120,0	120,6	+0,5	+4,0
Other urban areas	1,86	112,9	116,4	117,0	+0,5	+3,6
KwaZulu-Natal	20,10	117,4	121,5	122,0	+0,4	+3,9
Durban/Pinetown	7,27	116,7	121,4	121,7	+0,2	+4,3
Pietermaritzburg	1,23	118,1	123,3	124,0	+0,6	+5,0
Other urban areas	11,60	116,5	120,7	121,1	+0,3	+3,9
North West	2,56	117,7	121,9	122,7	+0,7	+4,2
Gauteng	43,29	118,0	122,6	123,1	+0,4	+4,3
Pretoria/Centurion/Akasia	11,93	117,0	122,4	123,1	+0,6	+5,2
Witwatersrand	24,62	118,8	123,1	123,5	+0,3	+4,0
Other urban areas	6,74	119,5	124,0	124,4	+0,3	+4,1
Mpumalanga	3,61	118,4	122,6	123,0	+0,3	+3,9
Nelspruit/Witbank	1,18	116,9	120,4	120,8	+0,3	+3,3
Other urban areas	2,43	119,6	124,1	124,6	+0,4	+4,2
Limpopo Province	1,47	113,3	118,1	118,5	+0,3	+4,6
Polokwane (Pietersburg)	0,23	106,8	111,2	111,4	+0,2	+4,3
Other urban areas	1,24	116,7	121,8	122,3	+0,4	+4,8
PI for the historical etropolitan and other urban area		117,9	122,4	122,9	+0,4	+4,2
PI for the historical	-  -     65,85	117,7	122,3	122,7	+0,3	+4,2

Statistics South Africa 28 **P0141.1** 

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

Base : CPI 2000 = 100

		se : CPI 2					
Group/Product	      Weights  	Jun   2004	Jul 2004	     Aug   2004	       Sep   2004	       Oct   2004	     Nov   2004
CPI: All items	100,00	122,7	122,8	123,1	123,1	123,8	124,6
Expenditure groups - Very low Low Middle High Very high	0,91     1,76     6,36     14,57     76,40	130,9 130,6 129,2 127,4 120,9	130,2 130,4 129,3 127,7 121,0	129,7 130,1 129,3 127,8 121,3	130,0 130,3 129,4 128,1 121,4	129,9 130,1 129,5 128,4 122,1	131,2 131,2 130,5 129,4 122,8
CPI: All items excluding food	79,01	119,3	119,6	119,9	120,0	120,7	121,4
Commodities	57,14	126,6	126,7	126,1	126,8	127,2	128,4
Food	20,99	135,6	135,2	135,2	135,1	135,7	136,3
Food and non-alcoholic beverages Alcoholic beverages, cigarettes, cigars and tobacco	22,09   2,54	135,6 145,4	135,4 146,2	135,4 146,7	135,2 146,8	135,8 149,0	136,4 150,9
Clothing and footwear Furniture and equipment Vehicles	3,25 2,53 5,95	94,8 116,5 117,9	94,2 116,3 118,2	93,0 116,2 118,3	94,0 116,1 118,2	94,2 116,2 117,4	94,4 116,4 116,9
Other transport commodities Other commodities	3,51	133,5 118,3	134,4 118,4	129,9 118,4	135,7 118,5	137,7 118,0	139,5 120,9
Services	42,86	116,9	118,3	118,6	118,5	119,4	120,1
Housing and domestic workers Transport Other services	25,62 3,38 13,86	110,1 115,7 136,8	110,8 116,3 140,4	111,3 116,9 140,1		111,9 117,5 141,5	112,8 118,0 141,6
CPI: All items excluding VAT	100,00	122,7	122,8	123,1	123,1	123,8	124,6
CPIX	100,00	129,1	129,7	129,4	129,9	130,1	130,4

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

Base : CPI 2000 = 100

Group/Product	    Weights  	Jun 2004	Jul 2004	     Aug   2004	     Sep   2004	     Oct   2004	     Nov   2004
  CPI: All items	100,00	123,3	123,5	123,7	123,7	124,5	125,3
Expenditure groups - Very low Low Middle High Very high	1,39 2,26 8,11 16,96 71,28	131,7 130,6 129,4 127,4 121,2	131,3 130,3 129,3 127,6 121,4	130,9 130,0 129,2 127,6 121,7	131,0 130,1 129,4 127,9 121,7	131,2 129,8 129,4 128,0 122,5	132,4 131,0 130,4 129,0 123,3
CPI: All items excluding food	76,98	119,5	119,8	120,1	120,2	120,9	121,6
Commodities	59,42	127,1	127,2	126,6	127,3	127,8	128,9
Food	23,02	136,3	135,9	135,9	135,9	136,4	137,1
Food and non-alcoholic beverages   Alcoholic beverages, cigarettes, cigars and   tobacco	24,15	136,3 146,1	136,0 146,9	135,9 147,5	135,9 147,4	136,4 149,9	137,1 151,6
Clothing and footwear Furniture and equipment Vehicles Other transport commodities Other commodities	3,64   2,82   5,11   5,14   15,83	94,1 116,0 116,5 130,9 120,6	93,4 115,7 116,6 131,5 121,3	92,4 115,7 116,8 127,8 120,8	93,5 115,3 116,7 132,7 121,3	93,5 115,4 116,0 134,7 121,3	94,0 115,7 115,8 136,4 123,5
  Services	40,58	117,8	118,6	119,0	118,8	119,6	120,3
Housing and domestic workers   Transport   Other services	23,92 3,47 13,19	110,6 114,7 130,0	111,4 115,1 130,9	111,3 115,6 132,1	110,6 115,8 132,6	111,6 116,3 133,2	112,4 116,7 133,7
CPI: All items excluding VAT	100,00	123,3	123,5	123,7	123,7	124,5	125,3
CPIX	100,00	129,0	129,4	129,1	129,5	129,9	130,3

Statistics South Africa 29 **P0141.1** 

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

			Indices (2000=100)		   Percent   betweer	age change
Urban area	Weights -	Nov 2003	   Oct   2004	Nov 2004	Oct 2004 and Nov 2004	Nov 2003   and   Nov 2004
Western Cape	20,00	126,4	130,6	131,1	+0,4	+3,7
Cape Peninsula	12,55	125,8	129,8	130,3	+0,4	+3,6
Other urban areas	7,45	127,2	131,7	132,2	+0,4	+3,9
Eastern Cape	6,08	126,2	130,7	131,6	+0,7	+4,3
Port Elizabeth/Uitenhage	3,06	124,9	128,4	129,4	+0,8	+3,6
East London	0,62	128,7	137,4	138,6	+0,9	+7,7
Other urban areas	2,40	128,1	132,6	133,4	+0,6	+4,1
Northern Cape	1,57	128,9	133,5	134,4	+0,7	+4,3
Kimberley	0,69	128,5	132,9	133,6	+0,5	+4,0
Other urban areas	0,88	129,1	133,7	134,7	+0,7	+4,3
Free State	5,49	119,9	123,5	124,7	+1,0	+4,0
Bloemfontein	1,83	117,0	122,2	123,3	+0,9	+5,4
Free State Goldfields	0,86	121,7	125,2	126,3	+0,9	+3,8
Other urban areas	2,80	119,4	121,9	123,0	+0,9	+3,0
KwaZulu-Natal	22,75	126,7	130,0	130,9	+0,7	+3,3
Durban/Pinetown	7,03	126,7	131,7	132.3	+0,5	+4,4
Pietermaritzburg	1,40	126,7	131,1	131,6	+0,4	+3,9
Other urban areas	14,32	126,6	129,1	130,2	+0,9	+2,8
North West	2,40	126,6	129,7	130,9	+0,9	+3,4
Gauteng	37,69	124,3	129,2	129,8	+0,5	+4,4
Pretoria/Centurion/Akasia	11,35	122,5	128,1	128,8	+0,5	+5,1
Witwatersrand	16,11	124,9	129,6	130,3	+0,5	+4,3
Other urban areas	10,23	124,7	129,2	129,7	+0,4	+4,0
Mpumalanga	2,41	128,2	134,1	134,9	+0,6	+5,2
Nelspruit/Witbank	0,26	130,7	134,8	137,1	+1,7	+4,9
Other urban areas	2,15	127,9	134,0	134,6	+0,4	+5,2
Limpopo Province	1,61	122,8	126,4	127,1	+0,6	+3,5
Polokwane (Pietersburg)	0,26	128,3	131,5	132,3	+0,6	+3,1
Other urban areas	1,35	122,2	125,9	126,5	+0,5	+3,5
CPI for the historical metropolitan and other urban area	- 	125,3	129,6	130,3	+0,5	+4,0
CPI for the historical	-			·		
metropolitan areas	56,03	124,8	129,6	130,2	+0,5	+4,3

O D : 1 1 11 1 2004

#### **EXPLANATORY NOTES**

1

#### Introduction

- This publication contains results of the monthly Survey of Consumer (Retail) Prices. 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.
- 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)

- 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

7

- 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 (see 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 and services

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

- 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

13

14

15

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 12 metropolitan and 40 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.

O D : I I XI I 2004

Statistics South Africa 32 **P0141.1** 

#### 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
- Newspapers and magazines
- Entrance fees drive inns and bioscopes
- Air transport fees
- Cellular phone tariffs
- Furniture and equipment
- Medicine
- Garden Tools
- Washing ironing and dry-cleaning
- Sport equipment
- Reading matter and stationary
- Tariffs of hairdressing services
- Ironware and crockery
- New and retread tyres
- Household textiles
- Electrical appliances and equipment
- Medical, toilet and photographic requisites and services
- Musical instruments
- Prices of pets

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

Items/products	Months of survey
Rent of dwellings.	January, April, July and October.
Motor vehicle insurance.	March, June, September and December.

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

Items/products	Month of survey
<ul> <li>Doctor's and dentist's fees.</li> </ul>	January.
<ul> <li>Motor vehicle license and registration fees.</li> </ul>	
Telephone (land lines).	
Toll-fees at toll-gates.	March.
School funds.	
<ul> <li>University boarding and class fees.</li> </ul>	
Parking fees.	April.
Postal tariffs.	
Public transport tariffs.	• June.
Property taxes.	July.
Refuse removal.	
Sanitary fees.	
Maintenance of graves.	October.

O D 1 1 M 1 2004

Statistics South Africa 33

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

Items/products	Months of survey
Contribution to medical aid.	January, April and July.
Property insurance.	January and July.
Hospital fees.	
Water.	January, July and August.
Electricity.	
Domestic workers.	February, September.
Television licenses.	April, October.

P0141.1

#### 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

24

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 12 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 40 "other urban areas" is sampled.
- Thirdly, for each of the 52 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.
- 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**

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

# Processing of price information

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 telephonic inquiry.

29

# Calculating product price indices

30

31

32

33

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.

- **34** 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)

36

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 (see table 1 on page 13).

n · 1 1 1 1 1 2004

### Seasonal adjustment

37

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, including the previous month. Thus these indices change every time that another month is added. In the past Stats SA did not revise the seasonal adjusted indices on a monthly basis, but revised the historical seasonally adjusted indices for a year, annually in January of each year. This methodology caused diversion between the annual changes in the seasonally adjusted and actual indices. After thorough investigations it was decided that the latest seasonally adjusted indices will be published every month. This mean that the seasonally adjusted figures will not have a fixed base such as the figures of the time series for which seasonally adjustments were done. It also implies that the values of the seasonally adjusted indices will be changing on a monthly basis.

### Reliability of estimates

38

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

39

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

- Bulletin of Statistics: and
- SA Statistics.

## Unpublished statistics

40

1

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

anu abbreviations Stats SA Statistics South Africa

not available

- nil or not applicable
- revised since previous publication

avg average

#### TECHNICAL NOTES

#### Response rate

- The response rate for the CPI for the historical metropolitan areas for November 2004 was 94%
- The response rate for the CPI for the historical metropolitan and other urban areas for November 2004 was 94%.

P0141.1

#### **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 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 (see table 1 on page 13).

#### 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.

#### 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 –

- 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.

#### 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.

Statistics South Africa 37 **P0141.1** 

#### Metropolitan area

Metropolitan areas in the CPI refer to the following 12 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 Mpumalanga, the main urban areas and Nelspruit/Witbank in each of these provinces were selected as metropolitan areas. As from 2002 the Klerksdorp/Orkney/Stilfontein area is included under other urban areas as the coverage in the IES was not comprehensive enough to determine a weighting structure for this area.

# 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.

n · 1 1 1 1 1 1 1 1

Statistics South Africa 38 **P0141.1** 

#### FOR MORE INFORMATION

Stats SA publishes approximately 300 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.

Stats SA has copyright on this publication. Users may apply the information as they wish, provided that they acknowledge Stats SA as the source of the basic data wherever they process, apply, utilise, publish or distribute the data and also that they specify that the relevant application and analysis (where applicable) result from their own processing of data.

#### Advance release calendar

An advance release calendar is disseminated on <a href="http://www.statssa.gov.za">http://www.statssa.gov.za</a>

#### Stats SA products

A complete set of Stats SA publications is available in the Stats SA Library and the following libraries -

National Library of South Africa, Pretoria Division
National Library of South Africa, Cape Town Division
Natal Society Library, Pietermaritzburg
Library of Parliament, Cape Town
Bloemfontein Public Library
Johannesburg Public Library
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.

#### **Electronic services**

A large range of data are available via on-line services, diskette and computer printouts. For more details about our electronic data services, contact (012) 310 8600/8390/8351/4892/8496/8095.

You can visit us on the Internet at: www.statsa.gov.za

#### **Enquiries**

Technical enquiries: Martie Grobler

(012) 310 8421

Telephone number: (012) 310 8151/8077/8170 (survey area)

(012) 310 8600/8390/8351/4892/8496/8095 (user enquiries)

(012) 310 8161 (publishing) (012) 310 8490 (library)

Fax number: (012) 310 8502/3

Email: <a href="mailto:cpi@statssa.gov.za">cpi@statssa.gov.za</a> (technical enquiries)

info@statssa.gov.za (user information services)

distribution@statssa.gov.za (orders)

Postal address: Private Bag X44, Pretoria, 0001

Produced by Stats SA