

Statistical Release P0141.1

Prices : Consumer Price Index

October 1996

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INFLATION RATE FOR OCTOBER 1996 THE HIGHEST SINCE JUNE 1995

The official inflation rate, i.e. the annual rate of change in the Consumer Price Index, is 9,1% for October 1996. This rate is 0,7 of a percentage point higher than the corresponding annual rate of 8,4% for September 1996.

The monthly increase (i.e. from September 1996 to October 1996) in the Consumer Price Index is 1,0%, while the seasonally adjusted index shows an increase of 1,1% for the same period.

An alternative expression of the change in the CPI is to annualise the change between the average index of the three months up to October 1996 and the average index of the previous three months. This approach when using seasonally adjusted data show an increase of 9,2%, while unadjusted data show a 9,9% increase.

CONTRIBUTIONS TO THE MONTHLY INCREASE OF 1,0%

The monthly increase of 1,0% can be attributed to increases in the price indices for food (contributing +0,5 of a percentage point), transport (+0,1 of a percentage point), "other" (+0,1 of a percentage point) and all other items (+0,3 of a percentage point).

FOOD PRICES

The price index for food shows an annual rate of increase of 12,4% for October 1996. This rate is 2,0 percentage points higher than the corresponding annual rate of 10,4% for September 1996.

The monthly rate of increase of 2,1% was caused by increases in the price indices for vegetables (+11,0%), grain products (+1,9%), meat (+1,4%), fats and oils (+0,8%), coffee, tea and cocoa (+0,5%), fish and other seafood (+0,4%), milk, cheese and eggs (+0,3%), sugar (+0,2%), and "other" items (+1,3%). These increases were partially counteracted by a decrease in the price index for fruit and nuts (-1,7%).

THE MONTHLY INCREASE IN THE PRICE INDEX FOR ALL ITEMS EXCLUDING FOOD IS 0,6%

The monthly rate of increase of 0,6% in the index for all items excluding food was caused by increases in the price indices for cigarettes, cigars and tobacco (+1,2%), household operation (+1,2%), reading matter (+0,9%), personal care (+0,7%), transport (+0,5%), non-alcoholic beverages (+0,5%), recreation and entertainment (+0,4%), alcoholic beverages (+0,2%), clothing and footwear (+0,2%), housing (+0,2%), fuel and power (+0,2%), furniture and equipment (+0,1%) and "other" items (+1,5%).

INCOME GROUP INDICES

An inflation rate of 9,4% was recorded for the lower income group, 9,6% for the middle income group and 8,8% for the higher income group.

URBAN AREA INDICES

The highest inflation rate of 10,3% was recorded for the Cape Peninsula, while the lowest rate of 7,6% was recorded for the Free State Goldfields.

Regarding food, the highest annual rate of increase of 14,4% was recorded for Pretoria/Centurion/Akasia, while the lowest rate of 9,2% was recorded for the Free State Goldfields.

INFLATION RATE FOR PENSIONERS

The inflation rate for pensioners is 9,6% for October 1996. The highest rate of increase of 10,9% was recorded for the Cape Peninsula, while the lowest rate of increase of 7,2% was recorded for the Free State Goldfields.

FOOD INFLATION AS MEASURED AT CHAIN-STORES AND OTHER RETAILERS

Food prices at chain-stores show an annual rate of increase of 13,0% and food prices at other retailers show an annual rate of increase of 11,2%. From September 1996 to October 1996, food prices at chain-stores increased by 2,6% and those at other retailers increased by 1,1%.

CPI FOR NOVEMBER 1996

In addition to the normal price surveys for November 1996, it has come to the attention of the CSS that changed prices apply with effect from November 1996 with regard to assessment rates in certain urban areas.

EXPLANATORY NOTES

1. All price information refers to the first seven days of the reference month.
2. The Consumer Price Indices relating to various urban areas as shown in Table 4 do not permit inter-urban comparison of price levels or living costs. The indices do not indicate whether it is more expensive to live in one city than in another. The indices indicate for each urban area, independently of any of the other urban areas, the price changes which have taken place from time to time.
3. Consumer Price Indices have been compiled for the urban areas Pietersburg and Nelspruit/Witbank as from July 1994. Although prices are collected in each of the respective areas, the indices for June 1994 and the weighting structure of Pretoria were used as basis for the CPI for Pietersburg and those of the Vaal Triangle as basis for Nelspruit/Witbank. The weighting structure of the said areas will be used until the results of the Survey of the Expenditure of Households, which took place in October 1995 are available, and the weighting structure for each of the new areas will then be determined accordingly. Furthermore, it should be noted that the indices for the weighted average have been calculated excluding these new areas. The new areas will be taken into account in the calculation of the weighted average as soon as a weighting structure for each has been brought into effect.
4. The indices for all items excluding food, Table 4.4, have been calculated for each area separately as from July 1994. These indices are calculated by means of the index for all items and the index for food of each area.
5. Value Added Tax (VAT) is included in general in the prices of all items on which VAT is applicable.
6. A more comprehensive description of the weighting system, seasonal adjustment, price collection methods, etc., appears in the brochure "Inflation" as well as in the notes to Chapter 3 of the Bulletin of Statistics.
7. The three income group categories were defined according to average direct annual income per household as in October 1990 as:

Lower income group - up to R15 999
Middle income group - R16 000 up to R39 999
Higher income group - R40 000 and more

When these average annual incomes are inflated the income group categories will be defined according to 1995 values as:

Lower income group - up to R27 295
Middle income group - R27 296 up to R68 239
Higher income group - R68 240 and more

TABLE 1 INCOME GROUP INDICES AND PERCENTAGE CHANGE

BASE : 1990 = 100

Group	Oct. 1996	Sep. 1996	Oct. 1995	Percentage change compared with		
				Sep. 1996		Oct. 1995
				Actual	Seasonally adjusted	Actual
Lower income group	187,0	185,1	171,0	+1,0	+1,0	+9,4
Middle income group	191,9	190,1	175,1	+0,9	+1,1	+9,6
Higher income group	187,8	186,1	172,6	+0,9	+1,2	+8,8
All income groups	188,4	186,6	172,7	+1,0 ¹⁾	+1,1 ¹⁾	+9,1 ¹⁾
Food only	218,8	214,2	194,6	+2,1	+1,9	+12,4
All items excluding food	181,0	179,9	167,3	+0,6	+0,7	+8,2
All income groups (VAT EXCLUDED)	182,4	180,6	167,1	+1,0 ¹⁾	+1,2 ¹⁾	+9,2 ¹⁾

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

TABLE 2 EFFECT OF PRICE CHANGES ON THE CONSUMER PRICE INDEX
- ALL INCOME GROUPS

Group	Contribution
Food	+0,5
Transport	+0,1
Other	+0,1
"All other items"	+0,3
All items	+1,0

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

BASE : 1990 = 100

Group	Oct. 1996	Sep. 1996	Oct. 1995	Percentage change compared with		Weights
				Sep. 1996	Oct. 1995	
All items	188,4	186,6	172,7	+1,0	+9,1	100,00
Lower income group	187,0	185,1	171,0	+1,0	+9,4	19,42
Middle income group	191,9	190,1	175,1	+0,9	+9,6	24,09
Higher income group	187,8	186,1	172,6	+0,9	+8,8	56,50
Commodities	193,0	191,0	177,6	+1,0	+8,7	57,92
Services	184,2	182,6	167,7	+0,9	+9,8	42,08
All items, excluding housing	198,7	196,6	182,6	+1,1	+8,8	79,46
All items, excluding food	181,0	179,9	167,3	+0,6	+8,2	81,36
Food	218,8	214,2	194,6	+2,1	+12,4	18,64
Lower income group	218,8	213,7	194,1	+2,4	+12,7	25,16
Middle income group	220,1	215,4	195,4	+2,2	+12,6	20,85
Higher income group	218,0	213,8	194,3	+2,0	+12,2	15,45
Processed	206,0	202,9	188,7	+1,5	+9,2	11,69
Unprocessed	230,9	224,5	200,0	+2,9	+15,5	6,95
Grain products	209,9	206,0	183,1	+1,9	+14,6	2,92
Meat	222,4	219,4	204,1	+1,4	+9,0	6,17
Fish and other seafood	194,8	194,0	178,8	+0,4	+8,9	0,70
Milk, cheese and eggs	193,9	193,4	173,8	+0,3	+11,6	2,28
Fats and oils	210,9	209,3	196,5	+0,8	+7,3	0,87
Fruit and nuts	256,1	260,4	238,5	-1,7	+7,4	1,18
Vegetables	271,9	245,0	201,4	+11,0	+35,0	1,88
Sugar	204,1	203,6	191,6	+0,2	+6,5	0,48
Coffee, tea and cocoa	194,3	193,3	189,3	+0,5	+2,6	0,59
Other	200,9	198,3	184,0	+1,3	+9,2	1,57
Non-alcoholic beverages	212,3	211,2	192,1	+0,5	+10,5	0,69
Alcoholic beverages	204,7	204,2	188,9	+0,2	+8,4	0,96
Cigarettes, cigars and tobacco	250,2	247,3	212,0	+1,2	+18,0	1,21
Clothing and footwear	149,5	149,2	144,5	+0,2	+3,5	7,02
Clothing	148,7	148,4	144,1	+0,2	+3,2	5,87
Footwear	152,3	151,6	144,9	+0,5	+5,1	1,15
Housing	146,3	146,0	132,3	+0,2	+10,6	20,54
Fuel and power	189,5	189,2	177,3	+0,2	+6,9	3,26
Furniture and equipment	148,2	148,0	141,4	+0,1	+4,8	5,50
Furniture	150,5	150,5	142,9	0,0	+5,3	2,47
Appliances	149,5	149,0	143,3	+0,3	+4,3	1,57
Other household equipment and textiles	150,5	150,5	143,9	0,0	+4,6	1,46
Household operation	224,5	221,9	200,2	+1,2	+12,1	2,57
Household consumables	197,9	195,5	180,0	+1,2	+9,9	1,37
Domestic workers	279,9	276,5	241,8	+1,2	+15,8	0,83
Other household services	211,7	210,2	193,6	+0,7	+9,3	0,37
Medical care and health expenses	222,5	222,5	203,5	0,0	+9,3	5,22
Transport	193,0	192,1	183,2	+0,5	+5,3	14,43
Vehicles	211,5	210,3	205,7	+0,6	+2,8	5,51
Running cost	182,5	181,5	166,5	+0,6	+9,6	5,76
Public and hired transport	174,0	174,0	168,4	0,0	+3,3	3,16
Communication	204,5	204,5	189,3	0,0	+8,0	1,61
Recreation and entertainment	162,0	161,4	153,2	+0,4	+5,7	3,71
Reading matter	220,7	218,8	201,6	+0,9	+9,5	0,75
Education	310,9	310,9	284,4	0,0	+9,3	1,76
Personal care	182,0	180,7	166,7	+0,7	+9,2	2,64
Other	190,0	187,2	175,0	+1,5	+8,6	9,49

TABLE 4 URBAN AREAS INDICES

TABLE 4.1 Index for all items
Each area compared with itself

BASE : 1990 = 100

Urban area	All items			Percentage change compared with	
	Oct. 1996	Sep. 1996	Oct. 1995	Sep. 1996	Oct. 1995
	Cape Peninsula	193,6	191,2	175,6	+1,3
Port Elizabeth / Uitenhage	191,6	189,5	174,4	+1,1	+9,9
East London	190,8	188,7	174,0	+1,1	+9,7
Kimberley	190,4	188,0	174,5	+1,3	+9,1
Pietermaritzburg	193,3	191,2	176,6	+1,1	+9,5
Durban / Pinetown	185,1	183,5	168,3	+0,9	+10,0
Pretoria / Centurion / Akasia	190,5	188,7	173,9	+1,0	+9,5
Witwatersrand	186,6	185,1	172,3	+0,8	+8,3
Klerksdorp / Stilfontein / Orkney	185,8	184,3	172,2	+0,8	+7,9
Vaal Triangle	177,4	176,0	164,2	+0,8	+8,0
Free State Goldfields	184,5	184,0	171,4	+0,3	+7,6
Bloemfontein	184,6	182,4	168,3	+1,2	+9,7
Weighted average of the twelve areas	188,4	186,6	172,7	+1,0	+9,1
Nelspruit / Witbank	174,3	173,5	161,2	+0,5	+8,1
Pietersburg	188,1	186,3	172,0	+1,0	+9,4

TABLE 4.2 Index for food

Each area compared with itself

BASE : 1990 = 100

Urban area	Food			Percentage change compared with	
	Oct. 1996	Sep. 1996	Oct. 1995	Sep. 1996	Oct. 1995
	Cape Peninsula	232,4	225,9	204,5	+2,9
Port Elizabeth / Uitenhage	228,8	223,8	200,3	+2,2	+14,2
East London	231,9	225,4	203,1	+2,9	+14,2
Kimberley	210,5	203,5	187,3	+3,4	+12,4
Pietermaritzburg	241,6	236,7	212,5	+2,1	+13,7
Durban / Pinetown	215,3	210,8	188,7	+2,1	+14,1
Pretoria / Centurion / Akasia	218,7	214,8	191,2	+1,8	+14,4
Witwatersrand	212,9	208,9	191,9	+1,9	+10,9
Klerksdorp / Stilfontein / Orkney	214,1	210,4	192,1	+1,8	+11,5
Vaal Triangle	200,2	196,6	181,3	+1,8	+10,4
Free State Goldfields	209,1	209,3	191,4	-0,1	+9,2
Bloemfontein	226,1	220,2	202,0	+2,7	+11,9
Weighted average of the twelve areas	218,8	214,2	194,6	+2,1	+12,4
Nelspruit / Witbank	195,0	193,4	175,7	+0,8	+11,0
Pietersburg	213,9	209,7	187,8	+2,0	+13,9

TABLE 4 URBAN AREAS INDICES (concluded)

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

BASE : 1990 = 100

Urban area	All items excluding housing			Percentage change compared with	
	Oct. 1996	Sep. 1996	Oct. 1995	Sep. 1996	Oct. 1995
	Cape Peninsula	204,7	201,8	186,2	+1,4
Port Elizabeth / Uitenhage	202,7	200,2	184,7	+1,2	+9,7
East London	202,5	200,0	184,4	+1,3	+9,8
Kimberley	197,7	194,9	181,8	+1,4	+8,7
Pietermaritzburg	203,2	201,0	186,5	+1,1	+9,0
Durban / Pinetown	194,7	192,8	177,5	+1,0	+9,7
Pretoria / Centurion / Akasia	201,1	198,9	183,9	+1,1	+9,4
Witwatersrand	196,8	194,9	182,3	+1,0	+8,0
Klerksdorp / Stilfontein / Orkney	193,4	191,5	179,0	+1,0	+8,0
Vaal Triangle	183,8	182,3	170,3	+0,8	+7,9
Free State Goldfields	194,1	193,4	179,6	+0,4	+8,1
Bloemfontein	198,5	195,7	180,6	+1,4	+9,9
Weighted average of the twelve areas	198,7	196,6	182,6	+1,1	+8,8
Nelspruit / Witbank	179,9	179,0	166,7	+0,5	+7,9
Pietersburg	198,7	196,5	181,8	+1,1	+9,3

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

BASE : 1990 = 100

Urban area	All items excluding food			Percentage change compared with	
	Oct. 1996	Sep. 1996	Oct. 1995	Sep. 1996	Oct. 1995
	Cape Peninsula	180,1	178,8	164,9	+0,7
Port Elizabeth / Uitenhage	179,4	178,1	165,3	+0,7	+8,5
East London	178,4	177,4	164,8	+0,6	+8,3
Kimberley	181,1	179,9	167,5	+0,7	+8,1
Pietermaritzburg	178,4	176,9	164,7	+0,8	+8,3
Durban / Pinetown	172,1	171,3	158,2	+0,5	+8,8
Pretoria / Centurion / Akasia	181,8	180,3	167,6	+0,8	+8,5
Witwatersrand	177,6	176,6	165,0	+0,6	+7,6
Klerksdorp / Stilfontein / Orkney	175,5	174,5	164,1	+0,6	+6,9
Vaal Triangle	170,3	169,5	158,7	+0,5	+7,3
Free State Goldfields	173,2	172,5	161,5	+0,4	+7,2
Bloemfontein	172,6	171,4	158,4	+0,7	+9,0
Weighted average of the twelve areas	181,0	179,9	167,3	+0,6	+8,2
Nelspruit / Witbank	167,8	167,2	156,2	+0,4	+7,4
Pietersburg	179,8	178,6	166,0	+0,7	+8,3

TABLE 5 SEASONALLY ADJUSTED INDICES

BASE : 1990 = 100

Group	BASE : 1990 = 100				Weights
	Oct. 1996	Sep. 1996	Aug. 1996	Jul. 1996	
All items	188,2	186,1	184,3	183,4	100,00
Lower income group	186,1	184,3	182,4	181,5	19,42
Middle income group	191,7	189,6	187,7	186,7	24,09
Higher income group	187,6	185,4	183,8	182,9	56,50
All items excluding food	180,7	179,5	178,0	177,4	81,36
Commodities	192,2	190,3	188,5	187,4	57,92
Food	217,2	213,1	209,8	207,8	18,64
Food and non-alcoholic beverages	216,8	213,3	209,8	207,8	19,33
Alcoholic beverages, cigarettes, cigars and tobacco	230,1	227,2	220,9	218,8	2,17
Clothing and footwear	149,2	149,0	148,7	148,5	7,02
Furniture and equipment	147,4	147,1	145,5	145,1	5,50
Vehicles	212,1	210,7	209,0	207,8	5,51
Other transport commodities	177,2	176,2	177,4	179,2	5,09
Other commodities	186,1	184,6	183,9	182,5	13,30
Services	184,2	182,5	181,0	180,2	42,08
Housing and domestic workers	148,4	148,0	146,7	146,1	21,37
Transport	179,9	179,3	179,4	180,9	3,83
Other services	233,7	230,1	227,9	226,3	16,88
All items (VAT excluded)	182,3	180,2	178,4	177,5	100,00

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

BASE : 1990 = 100

Urban area	All items			Percentage change compared with	
	Oct. 1996	Sep. 1996	Oct. 1995	Sep. 1996	Oct. 1995
	Cape Peninsula	198,1	195,2	178,6	+1,5
Port Elizabeth / Uitenhage	192,7	190,3	175,1	+1,3	+10,1
East London	196,5	194,0	178,9	+1,3	+9,8
Kimberley	192,8	190,2	175,5	+1,4	+9,9
Pietermaritzburg	190,4	188,2	175,0	+1,2	+8,8
Durban / Pinetown	190,3	188,2	173,3	+1,1	+9,8
Pretoria / Centurion / Akasia	192,9	190,7	176,2	+1,2	+9,5
Witwatersrand	189,3	187,5	174,0	+1,0	+8,8
Klerksdorp / Stilfontein / Orkney	189,0	187,2	174,9	+1,0	+8,1
Vaal Triangle	182,6	180,9	168,5	+0,9	+8,4
Free State Goldfields	175,2	174,3	163,4	+0,5	+7,2
Bloemfontein	195,3	192,9	177,7	+1,2	+9,9
Weighted average of the twelve areas	192,2	190,0	175,4	+1,2	+9,6
Nelspruit / Witbank	179,5	178,4	164,6	+0,6	+9,1
Pietersburg	187,6	185,7	173,0	+1,0	+8,4

TABLE 7 PERCENTAGE CHANGE BY TYPE OF STORE

TABLE 7.1 Chain-stores 1/

Group	Percentage change compared with	
	Sep. 1996	Oct. 1995
Food	+2,6	+13,0
Processed	+1,8	+9,4
Unprocessed	+3,6	+16,4
Grain products	+2,3	+15,2
Meat	+1,5	+9,0
Fish and other seafood	+0,1	+9,2
Milk, cheese and eggs	+1,1	+12,8
Fats and oils	+0,7	+7,3
Fruit and nuts	-3,2	+6,7
Vegetables	+14,3	+39,8
Sugar	+0,4	+5,9
Coffee, tea and cocoa	+0,5	+2,5
Other	+1,6	+9,7

1/ With at least 15 branches

TABLE 7.2 Other retailers 2/

Group	Percentage change compared with	
	Sep. 1996	Oct. 1995
Food	+1,1	+11,2
Processed	+0,7	+8,6
Unprocessed	+1,7	+13,4
Grain products	+0,7	+12,3
Meat	+0,6	+8,6
Fish and other seafood	+2,3	+8,4
Milk, cheese and eggs	+0,4	+9,3
Fats and oils	+1,1	+8,3
Fruit and nuts	+1,7	+11,0
Vegetables	+4,0	+27,0
Sugar	+0,3	+9,0
Coffee, tea and cocoa	+0,3	+2,5
Other	+0,6	+8,0

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