

# **Consumer Price Index**

## **Statistical release**

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## **INFLATION RATE DECREASES TO 9,0% AT OCTOBER 1998**

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

*The difference between the official inflation rate of 9,0% and the core inflation rate of 7,7% (which remained the same as the corresponding annual rate of 7,7% at September 1998) is mainly due to the impact of rising interest rates on existing mortgage bonds, which are included in the official inflation rate but excluded from the core inflation rate.*

The annual increase of 9,0% in the Consumer Price Index for metropolitan areas is mainly due to annual increases in the price indices for housing (+3,8 percentage points), food (+1,1 percentage points), medical care and health expenses (+0,8 of a percentage point), household operation (+0,7 of a percentage point) and transport (+0,7 of a percentage point) (cf. Table 2.1).

The inflation rate for metropolitan and other urban areas is 8,7% at October 1998. This rate is 0,1 of a percentage point higher than the corresponding annual rate of 8,6% at September 1998. From September 1998 to October 1998 the Consumer Price Index for metropolitan and other urban areas increased by 0,5%.

## **CORE INFLATION RATE**

The core inflation rate for metropolitan areas (see note 7 on page 5) is 7,7% at October 1998. This rate is the same as the corresponding annual rate of 7,7% at September 1998. From September 1998 to October 1998 the core inflation index for metropolitan areas increased by 0,5%.

The annual increase of 7,7% in the core inflation index for metropolitan areas is mainly due to annual increases in the price indices for housing (+1,6 percentage points), medical care and health expenses (+1,2 percentage points), food (+0,9 of a percentage point), household operation (+0,9 of a percentage point) and transport (+0,9 of a percentage point) (cf. Table 2.3).

The core inflation rate for metropolitan and other urban areas (see note 7 on page 5) is 7,6% at October 1998, which is 0,1 of a percentage point higher than the corresponding annual rate of 7,5% at September 1998. From September 1998 to October 1998 the core inflation index for metropolitan and other urban areas increased by 0,4%.

## **METROPOLITAN AREAS**

### **Contributions to monthly increase in the CPI**

The monthly increase of 0,4% in the Consumer Price Index for metropolitan areas is due to monthly increases in the price indices for food (+0,2 of a percentage point), housing (+0,1 of a percentage point), household operation (+0,1 of a percentage point) and personal care (+0,1 of a percentage point), which were slightly counteracted by a monthly decrease in the price index for transport (-0,1 of a percentage point, mainly due to a decrease of 3c/l in the price of petrol).

### **Contributions to monthly increase in core inflation index**

From September 1998 to October 1998 the core inflation index for metropolitan areas increased by 0,5%. This monthly increase is due to monthly increases in the price indices for food (+0,1 of a percentage point), housing (+0,1 of a percentage point), household operation (+0,1 of a percentage point), personal care (+0,1 of a percentage point) and "all other" items (+0,2 of a percentage point), which were slightly counteracted by a decrease in the price index for transport (-0,1 of a percentage point, mainly due to a decrease of 3c/l in the price of petrol).

### **Food inflation**

*The price index for food shows an annual rate of increase of 6,4% at October 1998. This rate is 0,4 of a percentage point higher than the corresponding annual rate of 6,0% at September 1998. From September 1998 to October 1998 this index increased by 1,1%, while the seasonally adjusted index increased by 0,2%.*

The price index for food shows a monthly increase of 1,1%, which is due to increases in the price indices for fruit and nuts (+3,4%), coffee, tea and cocoa (+3,2%), fats and oils (+2,8%), "other" food items (+1,6%), sugar (+1,3%), grain products (+1,1%), fish and other seafood (+0,9%), vegetables (+0,9%), milk, cheese and eggs (+0,8%) and meat (+0,1%).

### **Price index for non-food items**

***The price index for non-food items shows an annual rate of increase of 9,6% at October 1998. This rate is the same as the corresponding annual rate of 9,6% at September 1998. From September 1998 to October 1998 this index increased by 0,3%, while the seasonally adjusted index increased by 0,4%.***

Relatively large monthly increases occurred in the price indices for household operation (+1,2%), recreation and entertainment (+1,0%), personal care (+1,0%), housing (+0,5%), non alcoholic beverages (+0,4%) and other (+0,4%). A relative large monthly decrease occurred in the price index for transport (-0,3%, mainly due to a decrease of 3c/l in the price of petrol).

#### **An alternative expression of the change in the Consumer Price Index**

An alternative expression of the change in the Consumer Price Index is to annualise the percentage change between the average index of the three months up to October 1998 and the average index of the previous three months. This approach, when using seasonally adjusted data shows an increase of 17,9% (which is 0,1 of a percentage point higher than the corresponding rate of 17,8% for September 1998), while the unadjusted data shows an increase of 18,0% (which is 0,2 percentage points higher than the corresponding rate of 17,8% for September 1998).

#### **Pensioners**

The inflation rate for pensioners in the metropolitan areas is 8,2% at October 1998, which is 0,1 of a percentage point higher than the corresponding annual rate of 8,1% at September 1998.

#### **METROPOLITAN AND OTHER URBAN AREAS**

##### **Contributions to monthly increase in CPI**

Similar to the increase in the Consumer Price Index for metropolitan areas, the monthly increase of 0,5% in the Consumer Price Index for metropolitan and other urban areas is due to monthly increases in the price indices for food (+0,2 of a percentage point), housing (+0,1 of a percentage point), household operation (+0,1 of a percentage point), and all "other" items (+0,1 of a percentage point).

#### **Food inflation**

***The price index for food shows an annual rate of increase of 7,0% at October 1998, which is 0,3 of a percentage point higher than the corresponding annual rate of 6,7% at September 1998. From September 1998 to October 1998 this index increased by 1,0%***

The price index for food shows a monthly increase of 1,0%, which is due to increases in the price indices for fats and oils (+3,7%), fruit and nuts (+3,3%), coffee, tea and cocoa (+2,8%), "other" food items (+1,1%), grain products (+0,8%), fish and other seafood (+0,8%), vegetables (+0,8%), milk, cheese and eggs (+0,5%), sugar (+0,4%) and meat (+0,2%).

#### **Price index for non-food items**

***The price index for non-food items shows an annual rate of increase of 9,1% at October 1998, which is the same as the corresponding annual rate of 9,1% at September 1998. From September 1998 to October 1998 this index increased by 0,3%.***

Relatively large monthly increases occurred in the price indices for household operation (+1,3%), recreation and entertainment (+0,8%), personal care (+0,7%), housing (+0,5%) and other (+0,3%). A relatively large monthly decrease occurred in the price index for transport (-0,3%, mainly due to a decrease of 3c/l in the price of petrol).

#### **An alternative expression of the change in the Consumer Price Index**

An alternative expression of the change in the Consumer Price Index is to annualise the percentage change between the average index of the three months up to October 1998 and the average index of the previous three months. This approach, when using unadjusted data shows an increase of 16,2%, which is the same than the corresponding rate of 16,2% for September 1998. A better method should be to use seasonally adjusted data for the calculation of the alternative expression, but at this stage there is no seasonally adjusted data available for metropolitan and other urban areas. This is due to the fact that the index for metropolitan and other urban areas exists only since January 1997. Seasonally adjustment can only significantly be done using at least three years' data.

#### **Pensioners**

The inflation rate for pensioners in the metropolitan and other urban areas is 7,9% at October 1998. Other urban areas in Eastern Cape recorded the highest rate of increase, namely 9,7%, while the lowest rate of 6,1% was recorded for other urban areas in Northern Cape.

**Areas indices**

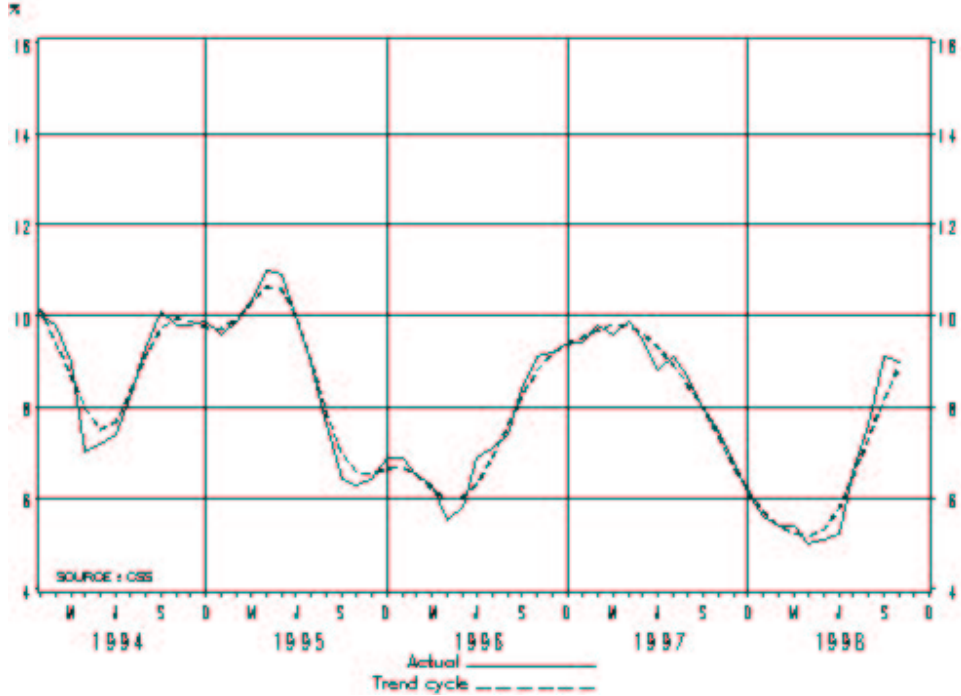
Both the Nelspruit/Witbank area and other urban areas in Mpumalanga reflected the highest inflation rate of 9,8% , while the lowest rate of 6,8% was recorded for other urban areas in Northern Cape.

Regarding food prices, the highest annual increase of 13,7% was recorded for other urban areas in Eastern Cape, while other urban areas in Northern Cape reflected the lowest increase of 3,7%.

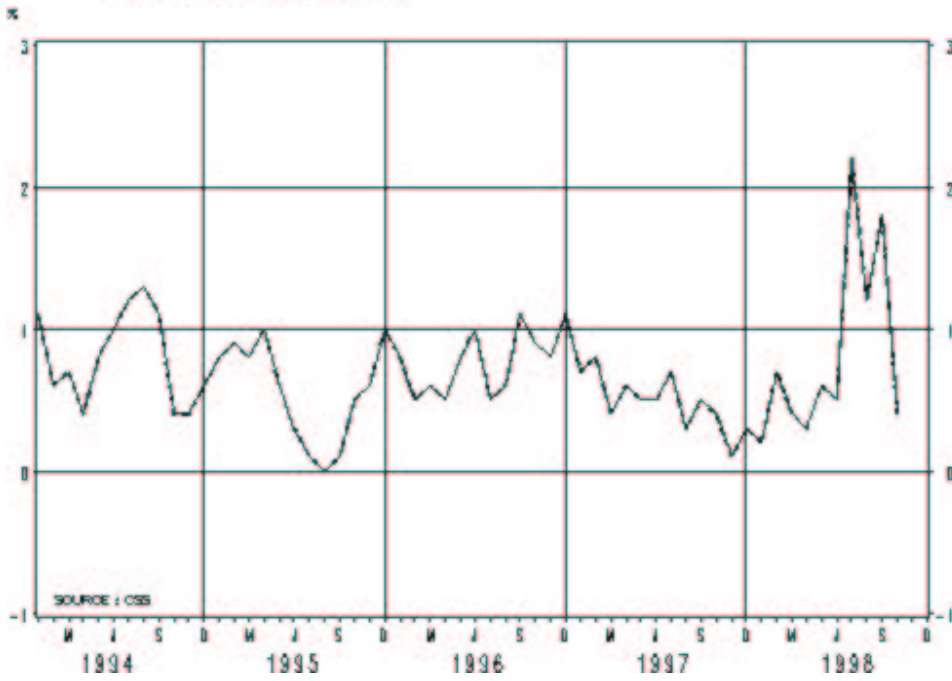
**CPI FOR NOVEMBER 1998**

In addition to the usual price surveys for November 1998, it has come to the attention of Stats SA that changed prices will apply during the first seven days of November 1998 regarding water, electricity, refuse removal, sanitary services, assessment rates and provincial hospital fees in certain areas, as well as television licences in all areas.

Graph 1 - Consumer Price Index (metropolitan areas)  
Annual percentage change



Graph 2 – Consumer Price Index (metropolitan area)  
Seasonally adjusted  
Monthly percentage change



## EXPLANATORY NOTES

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

Very low expenditure group - up to R6 340  
Low expenditure group - R6 341 up to R11 590  
Middle expenditure group - R11 591 up to R21 909  
High expenditure group - R21 910 up to R49 498  
Very high expenditure group - R49 499 and more

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

### 7. Core inflation

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

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

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

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

8. Symbols used: \* = revised

TABLE 1.1 EXPENDITURE GROUP INDICES AND PERCENTAGE CHANGE

BASE : 1995 = 100

Group	Oct. 1998	Sep. 1998	Oct. 1997	Percentage change compared with		
				Sep. 1998		Oct. 1997
				Actual	Seasonally adjusted	Actual
Expenditure groups						
Very Low	130,4	129,4	120,5	+0,8	..	+8,2
Low	129,5	128,7	119,8	+0,6	..	+8,1
Middle	129,2	128,4	119,5	+0,6	..	+8,1
High	129,6	129,0	119,5	+0,5	..	+8,5
Very High	129,2	128,7	118,4	+0,4	..	+9,1
All expenditure groups - Metropolitan	129,4	128,9	118,7	+0,4	+0,4	+9,0
All expenditure groups - Metro and other urban areas	128,9	128,3	118,6	+0,5	..	+8,7
Food only - Metropolitan	125,6	124,2	118,1	+1,1	+0,2	+6,4
Food only - Metro and other urban areas	126,4	125,2	118,1	+1,0	..	+7,0
All items excluding food - Metropolitan	130,3	129,9	118,9	+0,3	+0,4	+9,6
All items excluding food - Metro and other urban areas	129,5	129,1	118,7	+0,3	..	+9,1
All expenditure groups (VAT EXCLUDED) - Metropolitan	129,4	128,9	118,7	+0,4	+0,5	+9,0
All expenditure groups (VAT EXCLUDED) - Metro and other urban areas	128,9	128,3	118,6	+0,5	..	+8,7
Core inflation - Metropolitan	128,1	127,5	118,9	+0,5	-	+7,7
Core inflation - Metro and other urban areas	128,0	127,5	119,0	+0,4	-	+7,6

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

TABLE 1.2 ANNUAL INFLATION ON A MONTHLY BASIS

Metropolitan areas - All items														Base year: 1995 = 100	
Year	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Des.	Ave.	Index	
Jaar			Mrt.		Mei.					Okt.		Dec.	Gem.	Rate	
1996	103,6	103,7	104,6	105,2	105,9	106,9	107,7	108,3	109,4	110,4	110,8	111,9	107,4	Ind.	
	+6,9	+6,5	+6,3	+5,5	+5,8	+6,9	+7,1	+7,4	+8,4	+9,1	+9,2	+9,4	+7,4	%	
1997	113,3	113,9	114,6	115,6	116,0	116,3	117,5	117,7	118,2	118,7	118,3	118,7	116,6	Ind.	
	+9,4	+9,8	+9,6	+9,9	+9,5	+8,8	+9,1	+8,7	+8,0	+7,5	+6,8	+6,1	+8,6	%	
1998	119,7	120,0	120,8	121,4	121,9	122,3	125,3	126,7	128,9	129,4	..	..	..	Ind.	
	+5,6	+5,4	+5,4	+5,0	+5,1	+5,2	+6,6	+7,6	+9,1	+9,0	..	..	..	%	

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

Group	Contribution
Food	1,1
Non-alcoholic beverages	0,1
Alcoholic beverages	0,1
Cigarettes, cigars and tobacco	0,3
Housing	3,8
Fuel and power	0,2
Furniture and equipment	0,1
Household operation	0,7
Medical care and health expenses	0,8
Transport	0,7
Communication	0,2
Recreation and entertainment	0,1
Reading matter	0,1
Education	0,2
Personal care	0,2
Other	0,3
All items	9,0

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

Group	Contribution
Food	0,2
Housing	0,1
Household operation	0,1
Transport	-0,1
Personal care	0,1
All items	0,4

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

Group	Contribution
Food	0,9
Non-alcoholic beverages	0,1
Alcoholic beverages	0,1
Cigarettes, cigars and tobacco	0,4
Housing	1,6
Fuel and power	0,3
Furniture and equipment	0,2
Household operation	0,9
Medical care and health expenses	1,2
Transport	0,9
Communication	0,3
Reading matter	0,1
Education	0,3
Personal care	0,3
Other	0,1
All items	7,7

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

Group	Contribution
Food	0,1
Housing	0,1
Household operation	0,1
Transport	-0,1
Personal care	0,1
All other items	0,2
All items	0,5



TABLE 3 GROUP INDICES - WEIGHTED AVERAGE  
3.1 METROPOLITAN AREAS

BASE : 1995 = 100

Group	Oct. 1998	Sep. 1998	Oct. 1997	Percentage change compared with		Weights
				Sep. 1998	Oct. 1997	
All items	129,4	128,9	118,7	+0,4	+9,0	100,00
Expenditure groups - Very low	130,4	129,4	120,5	+0,8	+8,2	0,51
Low	129,5	128,7	119,8	+0,6	+8,1	1,78
Middle	129,2	128,4	119,5	+0,6	+8,1	5,24
High	129,6	129,0	119,5	+0,5	+8,5	17,70
Very high	129,2	128,7	118,4	+0,4	+9,1	74,77
Commodities	124,3	123,9	116,8	+0,3	+6,4	55,00
Services	136,4	135,7	121,8	+0,5	+12,0	45,00
All items, excluding housing	125,8	125,3	117,7	+0,4	+6,9	75,93
All items, excluding food	130,3	129,9	118,9	+0,3	+9,6	81,98
Food	125,6	124,2	118,1	+1,1	+6,4	18,02
Expenditure groups - Very low	127,8	126,2	118,6	+1,3	+7,8	40,73
Low	127,5	126,1	118,7	+1,1	+7,4	34,39
Middle	127,3	125,8	118,6	+1,2	+7,3	31,12
High	126,2	124,8	118,3	+1,1	+6,7	25,42
Very high	124,8	123,5	117,8	+1,1	+5,9	14,84
Processed	127,2	125,9	118,7	+1,0	+7,2	9,12
Unprocessed	123,9	122,5	117,5	+1,1	+5,4	8,90
Grain products	133,3	131,9	121,0	+1,1	+10,2	3,31
Meat	115,3	115,2	114,1	+0,1	+1,1	5,33
Fish and other seafood	129,4	128,3	117,7	+0,9	+9,9	0,80
Milk, cheese and eggs	131,4	130,3	126,6	+0,8	+3,8	1,90
Fats and oils	135,2	131,5	119,4	+2,8	+13,2	0,85
Fruit and nuts	113,1	109,4	106,7	+3,4	+6,0	1,08
Vegetables	138,3	137,1	127,1	+0,9	+8,8	1,80
Sugar	126,8	125,2	118,0	+1,3	+7,5	0,59
Coffee, tea and cocoa	119,0	115,3	109,7	+3,2	+8,5	0,72
Other	129,7	127,7	119,2	+1,6	+8,8	1,64
Non-alcoholic beverages	136,3	135,7	124,0	+0,4	+9,9	0,82
Alcoholic beverages	129,7	129,8	118,9	-0,1	+9,1	1,18
Cigarettes, cigars and tobacco	192,3	191,6	155,5	+0,4	+23,7	0,95
Clothing and footwear	108,7	108,8	108,2	-0,1	+0,5	4,76
Clothing	108,8	108,8	107,7	0,0	+1,0	3,55
Footwear	109,7	109,9	110,8	-0,2	-1,0	1,21
Housing	143,3	142,6	124,6	+0,5	+15,0	24,07
Fuel and power	127,9	127,7	119,5	+0,2	+7,0	3,11
Furniture and equipment	114,5	114,5	110,9	0,0	+3,2	3,94
Furniture	120,0	120,0	114,3	0,0	+5,0	1,62
Appliances	109,8	109,7	107,5	+0,1	+2,1	1,08
Other household equipment and textiles	111,2	111,2	109,4	0,0	+1,6	1,24
Household operation	146,6	144,8	129,7	+1,2	+13,0	4,69
Household consumables	134,0	132,4	122,7	+1,2	+9,2	1,14
Domestic workers	159,7	157,8	139,0	+1,2	+14,9	3,19
Other household services	122,2	119,8	115,6	+2,0	+5,7	0,36
Medical care and health expenses	146,4	146,4	130,2	0,0	+12,4	5,95
Transport	118,5	118,8	113,1	-0,3	+4,8	14,74
Vehicles	115,4	115,3	110,6	+0,1	+4,3	5,25
Running cost	126,7	127,6	118,2	-0,7	+7,2	5,75
Public and hired transport	113,0	113,0	111,7	0,0	+1,2	3,74
Communication	119,7	119,7	110,6	0,0	+8,2	3,06
Recreation and entertainment	111,5	110,4	108,7	+1,0	+2,6	2,38
Reading matter	136,2	135,9	124,3	+0,2	+9,6	0,74
Education	135,6	135,6	122,2	0,0	+11,0	2,04
Personal care	126,5	125,2	116,9	+1,0	+8,2	3,06
Other	119,9	119,4	114,6	+0,4	+4,6	6,49

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

BASE : 1995 = 100

Group	Oct. 1998	Sep. 1998	Oct. 1997	Percentage change compared with		Weights
				Sep. 1998	Oct. 1997	
All items	128,9	128,3	118,6	+0,5	+8,7	100,00
Expenditure groups - Very low	130,1	129,3	119,4	+0,6	+9,0	0,93
Low	129,1	128,4	119,0	+0,5	+8,5	2,99
Middle	128,1	127,4	118,6	+0,5	+8,0	7,58
High	129,0	128,4	119,0	+0,5	+8,4	20,09
Very high	128,9	128,4	118,4	+0,4	+8,9	68,41
Commodities	123,8	123,4	116,4	+0,3	+6,4	57,34
Services	135,7	135,1	121,6	+0,4	+11,6	42,66
All items, excluding housing	125,8	125,3	117,4	+0,4	+7,2	77,55
All items, excluding food	129,5	129,1	118,7	+0,3	+9,1	80,52
Food	126,4	125,2	118,1	+1,0	+7,0	19,48
Expenditure groups - Very low	130,0	128,8	117,9	+0,9	+10,3	44,17
Low	129,2	128,1	118,3	+0,9	+9,2	38,83
Middle	128,1	126,9	118,4	+0,9	+8,2	32,67
High	126,7	125,6	118,3	+0,9	+7,1	25,61
Very high	125,3	124,1	117,9	+1,0	+6,3	15,02
Processed	126,9	125,7	117,9	+1,0	+7,6	10,52
Unprocessed	125,8	124,7	118,3	+0,9	+6,3	8,96
Grain products	133,6	132,6	121,2	+0,8	+10,2	3,73
Meat	115,1	114,9	113,3	+0,2	+1,6	5,84
Fish and other seafood	131,6	130,6	119,2	+0,8	+10,4	0,77
Milk, cheese and eggs	131,0	130,3	125,5	+0,5	+4,4	2,02
Fats and oils	134,6	129,8	117,8	+3,7	+14,3	0,94
Fruit and nuts	112,6	109,0	104,4	+3,3	+7,9	1,07
Vegetables	143,9	142,8	129,8	+0,8	+10,9	1,94
Sugar	128,1	127,6	118,5	+0,4	+8,1	0,73
Coffee, tea and cocoa	118,1	114,9	107,9	+2,8	+9,5	0,79
Other	128,6	127,2	118,3	+1,1	+8,7	1,65
Non-alcoholic beverages	139,2	138,9	124,5	+0,2	+11,8	0,82
Alcoholic beverages	130,6	130,5	120,0	+0,1	+8,8	1,17
Cigarettes, cigars and tobacco	187,0	186,6	152,2	+0,2	+22,9	1,04
Clothing and footwear	109,2	109,2	107,9	0,0	+1,2	5,07
Clothing	109,2	109,1	107,5	+0,1	+1,6	3,80
Footwear	109,4	109,4	109,0	0,0	+0,4	1,27
Housing	140,0	139,3	122,8	+0,5	+14,0	22,45
Fuel and power	124,5	124,4	116,4	+0,1	+7,0	3,54
Furniture and equipment	112,7	112,7	110,0	0,0	+2,5	4,34
Furniture	117,2	117,2	112,8	0,0	+3,9	1,77
Appliances	109,0	109,0	107,4	0,0	+1,5	1,19
Other household equipment and textiles	110,2	110,2	108,7	0,0	+1,4	1,38
Household operation	150,5	148,6	132,9	+1,3	+13,2	4,87
Household consumables	132,0	130,1	120,9	+1,5	+9,2	1,27
Domestic workers	161,0	159,1	139,5	+1,2	+15,4	3,25
Other household services	120,1	118,5	114,3	+1,4	+5,1	0,35
Medical care and health expenses	143,1	143,1	127,4	0,0	+12,3	5,81
Transport	116,7	117,0	112,1	-0,3	+4,1	13,65
Vehicles	111,3	111,0	107,8	+0,3	+3,2	5,31
Running cost	126,3	127,1	118,2	-0,6	+6,9	5,16
Public and hired transport	110,4	110,4	109,3	0,0	+1,0	3,18
Communication	123,1	123,1	113,7	0,0	+8,3	3,21
Recreation and entertainment	107,6	106,7	105,2	+0,8	+2,3	2,18
Reading matter	134,0	133,8	122,4	+0,1	+9,5	0,69
Education	136,0	136,0	120,9	0,0	+12,5	1,82
Personal care	126,9	126,0	117,6	+0,7	+7,9	3,08
Other	121,5	121,1	115,8	+0,3	+4,9	6,78

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

BASE : 1995 = 100

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

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

BASE : 1995 = 100

Urban area	Food			Percentage change compared with	
	Oct. 1998	Sep. 1998	Oct. 1997	Sep. 1998	Oct. 1997
Western Cape	126,2	125,4	118,2	+0,6	+6,8
Cape Peninsula	126,3	125,4	117,8	+0,7	+7,2
Other urban areas	125,4	124,7	117,7	+0,6	+6,5
Eastern Cape	135,9	134,6	121,2	+1,0	+12,1
Port Elizabeth/Uitenhage	126,5	124,6	117,8	+1,5	+7,4
East London	130,7	128,8	125,2	+1,5	+4,4
Other urban areas	138,3	137,1	121,6	+0,9	+13,7
Northern Cape	121,8	121,8	117,0	0,0	+4,1
Kimberley	124,1	122,5	116,1	+1,3	+6,9
Other urban areas	121,4	121,6	117,1	-0,2	+3,7
Free State	120,6	119,6	113,9	+0,8	+5,9
Bloemfontein	125,9	124,4	117,3	+1,2	+7,3
Free State Goldfields	120,6	119,8	112,1	+0,7	+7,6
Other urban areas	120,1	119,1	113,9	+0,8	+5,4
KwaZulu-Natal	127,2	125,7	120,2	+1,2	+5,8
Durban/Pinetown	132,4	130,2	124,1	+1,7	+6,7
Pietermaritzburg	127,6	126,1	120,0	+1,2	+6,3
Other urban areas	125,3	124,0	118,9	+1,0	+5,4
North West	123,3	121,6	113,1	+1,4	+9,0
Klerksdorp/Stilfontein/Orkney	121,4	120,5	114,6	+0,7	+5,9
Other urban areas	123,4	121,6	112,8	+1,5	+9,4
Gauteng	124,6	123,4	117,4	+1,0	+6,1
Pretoria/Centurion/Akasia	126,5	125,5	119,3	+0,8	+6,0
Witwatersrand	123,6	122,3	116,6	+1,1	+6,0
Other urban areas	124,3	123,6	116,6	+0,6	+6,6
Mpumalanga	131,5	130,2	121,2	+1,0	+8,5
Nelspruit/Witbank	127,6	125,1	119,1	+2,0	+7,1
Other urban areas	132,2	131,2	121,6	+0,8	+8,7
Northern Province	129,6	128,7	120,4	+0,7	+7,6
Pietersburg	127,7	126,9	121,5	+0,6	+5,1
Other urban areas	129,9	128,9	120,3	+0,8	+8,0
Weighted average - Metro and other urban areas	126,4	125,2	118,1	+1,0	+7,0
Weighted average - Metropolitan	125,6	124,2	118,1	+1,1	+6,4

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

BASE : 1995 = 100

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

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

BASE : 1995 = 100

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

TABLE 5 SEASONALLY ADJUSTED INDICES

BASE : 1995 = 100

Group	Oct. 1998	Sep. 1998	Aug. 1998	Jul. 1998	Weights
All items	129,4	128,9	126,6	125,1	100,00
Expenditure groups - Very low	..	..	..	..	0,51
Low	..	..	..	..	1,78
Middle	..	..	..	..	5,24
High	..	..	..	..	17,70
Very high	..	..	..	..	74,77
All items excluding food	130,4	129,9	127,2	125,2	81,98
Commodities	124,2	123,9	123,1	122,2	55,00
Food	125,0	124,8	124,3	124,5	18,02
Food and non-alcoholic beverages	125,5	125,2	124,8	124,9	18,84
Alcoholic beverages, cigarettes, cigars and tobacco	160,2	159,2	158,9	154,9	2,13
Clothing and footwear	107,9	107,9	107,7	107,5	4,72
Furniture and equipment	113,8	113,4	113,0	112,7	3,85
Vehicles	115,3	115,3	113,8	113,5	5,25
Other transport commodities	130,2	131,0	129,5	123,3	4,63
Other commodities	128,8	127,9	126,6	125,9	15,58
Services	136,4	135,4	131,7	128,8	45,00
Housing and domestic workers	143,6	142,0	135,3	131,0	25,99
Transport	112,0	111,6	111,2	110,6	4,86
Other services	134,6	134,3	133,6	131,9	14,15
All items (VAT excluded)	129,4	128,8	126,5	125,0	100,00

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

BASE : 1995 = 100

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