



MINISTRY OF PLANNING
AND NATIONAL DEVELOPMENT



CENTRAL STATISTICS
DEPARTMENT



MONTHLY CONSUMER PRICE INDEX (CPI)

©CSD2024

Jun 2024



www.somalilandcsd.org
www.mopnd.govsomaliland.org



@somalilandcsd

Methodological Note

The Consumer Price Index (CPI) and the accompanying report are prepared monthly by the Central Statistics Department (CSD) at the Ministry of Planning and National Development (MoPND). January to December 2012 is the price reference period, for which the CPI was set to 100.

The CPI is compiled from approximately 520 product prices collected in Hargeisa, mainly from the city's two biggest open-air markets. Those product prices are weighted according to the representative consumption basket, which is calculated based on consumption data from the Somaliland Household Budget Survey (2013) and auxiliary data sources to overcome data gaps.

Standards for price statistics. For instance, the CPI follows the Classification of Individual Consumption by Purpose (COICOP), elementary aggregate indices are calculated using the geometric average method (Jevons index), and higher-level indices are computed as weighted arithmetic averages of their sub-indices (Laspeyres index).

Time series for the CPI and its main components, annual and monthly inflation, as well as detailed information on methodology are available on the **CSD website: <https://somalilandcsd.org/>**

Consumer Price Index summary for Jun 2024

In May 2024, the overall CPI increased at 0.8% over the previous month, and decreased 9.6% over the same month in the previous year.

Table One below: - summarizes the month-over-month and year-over-year changes in the overall CPI and for the main COICOP groups.

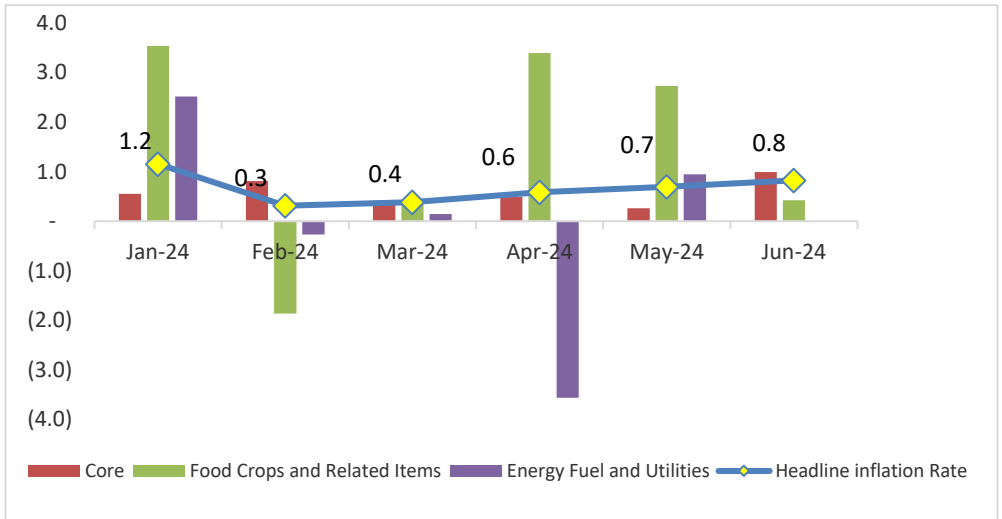
Table 1. Monthly and annual change in overall CPI and main COICOP Divisions for Jun 2024

Code	Main Divisions/classes	Weights	Jun_23	May_24	Jun_24	Month Percent change	Annual Percent change
	HEADLINE INDEX	100%	224.61	244.08	246.09	0.8	9.6
1	Food and non-alcoholic beverages	41.75%	257.65	290.45	292.21	0.6	13.4
1.1	FOOD	38.71	261.12	294.65	296.37	0.6	13.5
01.1.1	Bread and Cereals	10.48	220.68	228.14	225.11	-1.3	2.0
01.1.2	Meat	6.05	282.70	322.22	336.30	4.4	19.0
01.1.3	Fish and sea food	0.37	228.32	263.32	260.98	-0.9	14.3
01.1.4	Milk, cheese and eggs	4.23	267.41	269.62	269.08	-0.2	0.6
01.1.5	Oil and fats	1.54	214.17	221.49	221.49	0.0	3.4
01.1.6	Fruits	3.26	417.05	475.16	480.07	1.0	15.1
01.1.7	Vegetables	6.28	252.86	359.98	360.01	0.0	42.4
01.1.8	Sugar,Jam,Honey,chocolate and confe.	2.53	237.61	252.57	252.57	0.0	6.3
01.1.9	Food products n.e.c	3.99	249.74	261.72	261.78	0.0	4.8
2	Alcoholic Beverages, Tobacco and Narcotics	4.56%	295.16	273.55	273.55	0.0	-7.3
3	Clothing and footwear	5.73%	209.06	243.96	245.83	0.8	17.6
4	Housing water, electricity, gas and other fuels	14.10%	216.19	224.56	224.61	0.0	3.9
5	Furnishings household equipment and routine household maintenance	5.55%	186.98	207.47	209.93	1.2	12.3
6	Health	2.56%	214.18	216.32	219.50	1.5	2.5
7	Transport	8.85%	145.02	149.41	149.13	-0.2	2.8
8	Communication	2.99%	190.61	203.03	203.03	0.0	6.5
9	Recreation and culture	2.25%	177.87	191.75	192.43	0.4	8.2
10	Education	3.69%	160.53	161.31	161.09	-0.1	0.3
11	Restaurants and hotels	3.35%	215.12	235.22	248.44	5.6	15.5
12	Miscellaneous goods and services	4.62%	207.81	220.95	232.17	5.1	11.7

- **Recent trends in the CPI and its main components**

Decomposing inflation into the three components presented in Figure one allows us to see the effects on prices of the movement by typically most volatile components of the CPI, Food crops increased and Energy, Fuel and Utilities prices increased. It also allows us to calculate “Core Inflation” by subtracting these volatile components, which more accurately reflects the economy-wide change in prices that influenced by aggregate demand and supply evolutions.

Figure 1. Monthly headline inflation and its main components, trailing Six months



- **Monthly inflation rates over 6 months**

Over the past 6 months, monthly headline inflation has slightly decelerated in the following months, before almost stopping January 2024 inflation rate is constant at 1.2% and February the inflation rate is constant at 1.3% while in March the Inflation rate decreased at 0.3%, where the following of April 2024 the inflation rate increased at 0.6% while May increased at 0.7% where in Jun Inflation rate is constant at 0.8%

The biggest monthly increments were measured for the “Food Crop & Related items” component, in January 2024 decreased 3.5%, and the inflation rate February decreased at minus 1.9% and the inflation rate of March is increased at 0.4% while inflation of April 2024 increased at 3.4% in inflation rate May decreased at 2.7% where in Jun inflation rate decreased at 0.4%.

On the other hand, the “Energy, Fuel and Utilities” component monthly were in January 2024 the inflation rate increased at 2.5% while the February inflation rate decreased at minus 0.3%, and the inflation rate of March also increased at 0.1% while in April 2024 the inflation rate decreased at minus 3.6% and May increased at 0.9% where in Jun inflation rate constant at 0.9%

The “Core Inflation” component, which reflects change in prices of goods in the consumption goods belonging to one of the other two components, was the least volatile of the three in January 2024 inflation rate were decreased at 0.5%, the inflation rate of February increased at 0.8% In March the inflation rate decreased at 0.4% While in April 2024 inflation rate increased at 0.5% and May decreased 0.3% and inflation rate of Jun 2024 increased by 1.0%

Table 1. Monthly percentage change in overall CPI and main components

Component	2023										2024		
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Headline index	0.7	0.6	0.6	0.8	1.1	0.9	1.2	1.2	0.3	0.4	0.6	0.7	0.8
Core	0.4	0.4	0.6	0.7	0.6	0.3	0.6	0.5	0.8	0.4	0.5	0.3	1.0
Food crops & related items	0.9	1.4	0.6	1.8	4.2	4.6	5.5	3.5	-1.9	0.4	3.4	2.7	0.4
EFU	2.5	1.0	0.3	0.6	0.7	0.0	0.1	2.5	-0.3	0.1	(3.6)	0.9	0.0

Table 2. Annual percentage change in overall CPI and main components

Component	2023										2024		
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Headline index	9.5	8.6	7.6	7.3	7.7	8.4	9.4	10.2	10.0	9.7	9.6	9.4	9.6
Core	7.3	6.8	6.1	6.0	5.8	5.8	5.8	5.9	6.5	6.5	6.5	6.4	7.0
Food crops & related items	20.3	18.9	18.0	16.2	18.5	23.4	29.8	34.2	31.3	30.3	31.3	30.5	29.8
EFU	14.4	11.3	6.8	7.0	10.3	10.6	12.7	15.0	11.4	9.4	5.5	4.9	2.3

How to interpret inflation and CPI statistics?

Movements of the indices from one month to another usually are expressed as percentage changes rather than changes in index points. For instance, one index going from 50 in one month to 55 the next month represents a 10% increase in that index, which will be typically reported as a 10% rate of monthly inflation.

Table 4. Example on how to interpret the relations between index changes and inflation

Monthly Inflation		Annual Inflation	
Current month index level	246.09	Current month index level	246.09
Less index for previous month	244.08	Less index for same month of the previous year	224.61
Index point difference	2.01	Index point difference	21.48
Divided by the previous month index	244.08	Divided by the previous year index	224.61
Equals	0.0082350049	Equals	0.0956324295
Results multiplied by 100	0.0082350049x100	Results multiplied by 100	0.0956324295x100
Equals percent change	0.8%	Equals percent change	9.6%

NB: Since in JANUARY 2024 there were two price-related incidents; The value of local currency Somaliland Shillings were increased due to of exchange rate for the months and first week of Jun, that affected prices of some commodities to violated, especially Food items such as Bread and Cereals & Meat being highly increased such fruit and vegetable, were shortage supply in the market in last Jun 2024,

Furnishings, Household Equipment and Routine Household Maintenance division, Health Division, and Miscellaneous Goods and Services division inflation rate at increased by Jun 2024, also the price of energy particular Energy, Fuel and Utilities of the Jun 2024 was being constant

Glossary

- Index reference period (Jan-Dec 2012=100): The period with which all other periods at are compared (the period for which the value of the CPI is set at 100).
- Percentage change: The change in an index or other statistical series from one period to another expressed as a percentage of its value in the first of the two periods.
- Annual inflation: Percentage change between the current index number for a particular month and the index number for the same month of the previous year.
- Monthly inflation: Percentage change between the current index number for a particular month and the index number for the previous month.
- COICOP: The Classification of individual consumption by purpose, abbreviated as COICOP, is a classification developed by the United Nations Statistics Division to classify and analyses individual consumption expenditures incurred by households, non-profit institutions serving households and general government according to their purpose.

