



Annual Consumer Price Index: 2020 In Review

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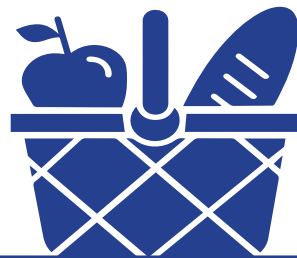
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STATISTICS BOTSWANA



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In Review

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Preface

This Stats Brief presents a brief summary of Botswana Consumer Price Indices (CPI) and Inflation rates for 2020. Price Statistics information is appropriate for the formulation of socio-economic and monetary policies.

In order to produce statistics that reflect the current situation in the economy, Statistics Botswana produces the Consumer Price Index monthly, to meet the expectations of the stakeholders. The Consumer Price Index (CPI) is used to derive the national inflation rate.

The annual average inflation rate of 1.9 percent recorded in 2020 was below the lower bound of the inflation target range of 3 – 6 percent set out by the Bank of Botswana. The slowing average annual inflation rate for 2020 was mostly attributable to a decline in consumer spending due to the impact of measures that were put in place to combat the spread of the COVID-19 pandemic. The first COVID-19 extreme Social Distancing (Lockdown) was effected over the periods from the 2nd April to 22nd May 2020 which imposed movement restrictions of people.

It is expected that our stakeholders would provide a regular response to help Statistics Botswana to improve on the quality of, not only this Stats Brief, but all its publications



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Statistician General
May 2021

1.0 Introduction

The restrictions of people movement to contain Coronavirus 2019 (COVID-19) had an impact on the calculation of the consumer price index since April 2020. Some of the prices could not be collected as usual and were therefore imputed using the international guidelines as provided by the International Monetary Fund (IMF). Different methods and approaches of the prices data collection were used such as emails and telephone, to compensate for the missing prices data and hence minimise their impact on the inflation rate. A detailed imputation method for calculating the CPI was shared with the users for appreciation of the quality of the index.

The Consumer Price Index (CPI) is an index that measures price movements in goods and services with reference to a base period. The current Botswana CPI series has a base period of December 2018.

The CPI is used to calculate the rate of inflation experienced by Botswana consumers. The inflation rate measures the change in the CPI for the month under review in comparison with the previous month (month-on-month change), in addition it measures the change in the CPI in the same month between two consecutive years (year-on-year change). The inflation rate is essential for economic policy-making, especially the monetary policy and for deflating the Gross Domestic Product (GDP). It is also useful for adjusting contracts, wages and salaries among others.

Consumer Price Index (CPI) is computed using the Modified Laspeyres method, which is in accordance with regional and international recommendations.

This Stats Brief is organized as follows; Section 2 outlines a brief summary of the COVID-19 and CPI Compilation; Section 3 provides a review of the contribution of major groups to the 2020 average inflation rate and Section 4 discusses the comparison of the average inflation rate between 2019 and 2020;

2.0 Covid-19 Pandemic and CPI Compilation

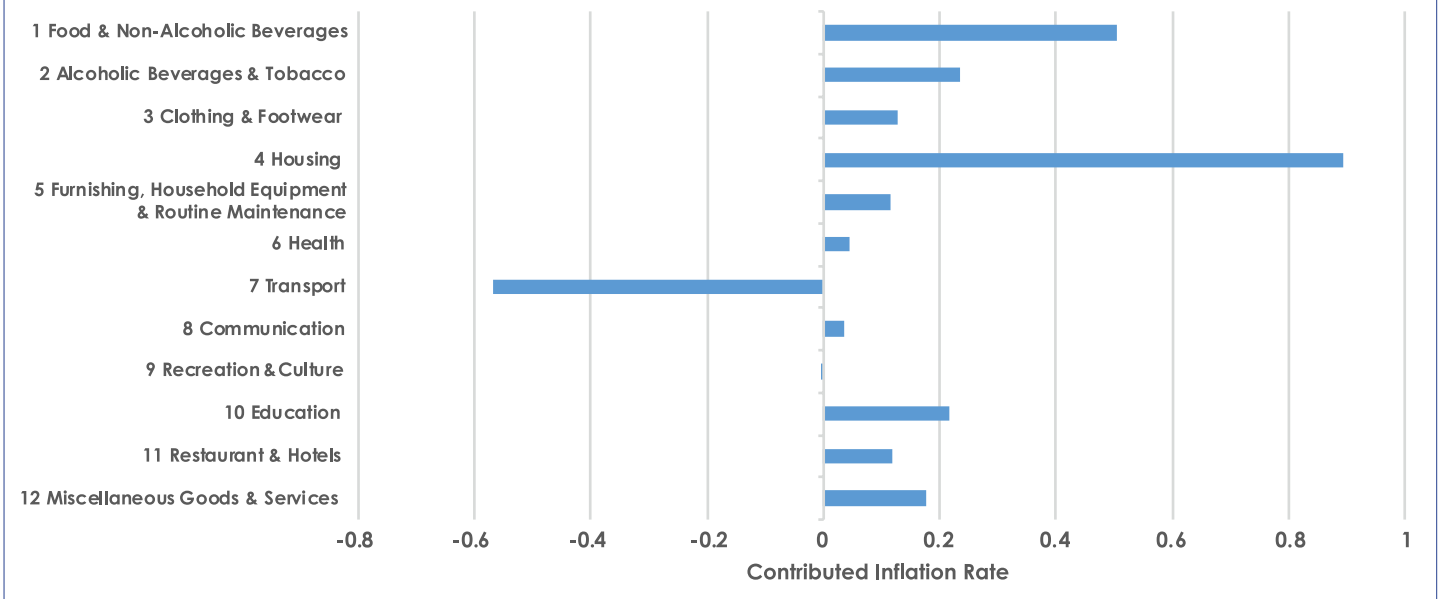
Since the outbreak of the COVID-19 in early 2020, emergency protocols were implemented to contain the spread of the virus. This brought forth challenges in data collection. In April 2020, the Botswana Government introduced the strict movement of the people to curb the spread of COVID-19. All the non-essential outlets were temporarily closed during the months of April, May, July and August 2020 except for those providing essential goods and services such as food and medical services (products). This meant that prices data collection for the Consumer Price Index was halted because there was a closure of approximately 40 percent of outlets selling goods and services across the country. Hence imputation methods were used to cater for the missing prices.

Statistics Botswana used alternative methods of data collection such as using electronic mails and telephone calls to collect data, instead of physical visits to the outlets. The data collected was still not sufficient because of a number of missing (unobserved) prices. All missing prices were imputed using the geometric mean of price relatives (variation) of the observed prices. This is in accordance with the international Consumer Price index (CPI) methodological (Imputation) procedures by the International Monetary Fund (IMF). It should be noted that imputation makes use of the best available observed prices data to provide an unbiased estimate of price movement. Also imputation methods are self-correcting, implying that once prices become available, the index retains its consistency and reliability.

3.0 Contributions of Groups to the Average Inflation rate in 2020

The average annual inflation rate in 2020 stood at 1.9 percent compared to the 2019 inflation rate of 2.8 percent. Contributing considerably to the 2020 average annual inflation rate were; Housing, Water, Electricity, Gas & Other Fuels (0.9 percent), Transport (-0.6 percent) and Food & Non-Alcoholic Beverages (0.5 percent). In 2020, the CPI rose at the slowest historic pace since 1971. The significant downward pressure on the inflation was mostly attributable to a decline in Transport, which accounts for 23.43 percent of the overall CPI basket. This outweighed the increases of Food and Housing with weights of 13.55 and 17.45 percent in the CPI basket, respectively. Another factor which had contributed to the slow pace of the average annual inflation was related to the reduced consumer spending precipitated by the restricted movement of people to slow down the spread of the COVID-19. [Refer to Table 1 and Figure 1.](#)

Figure 1: Contribution to Average Annual Inflation Rate 2020

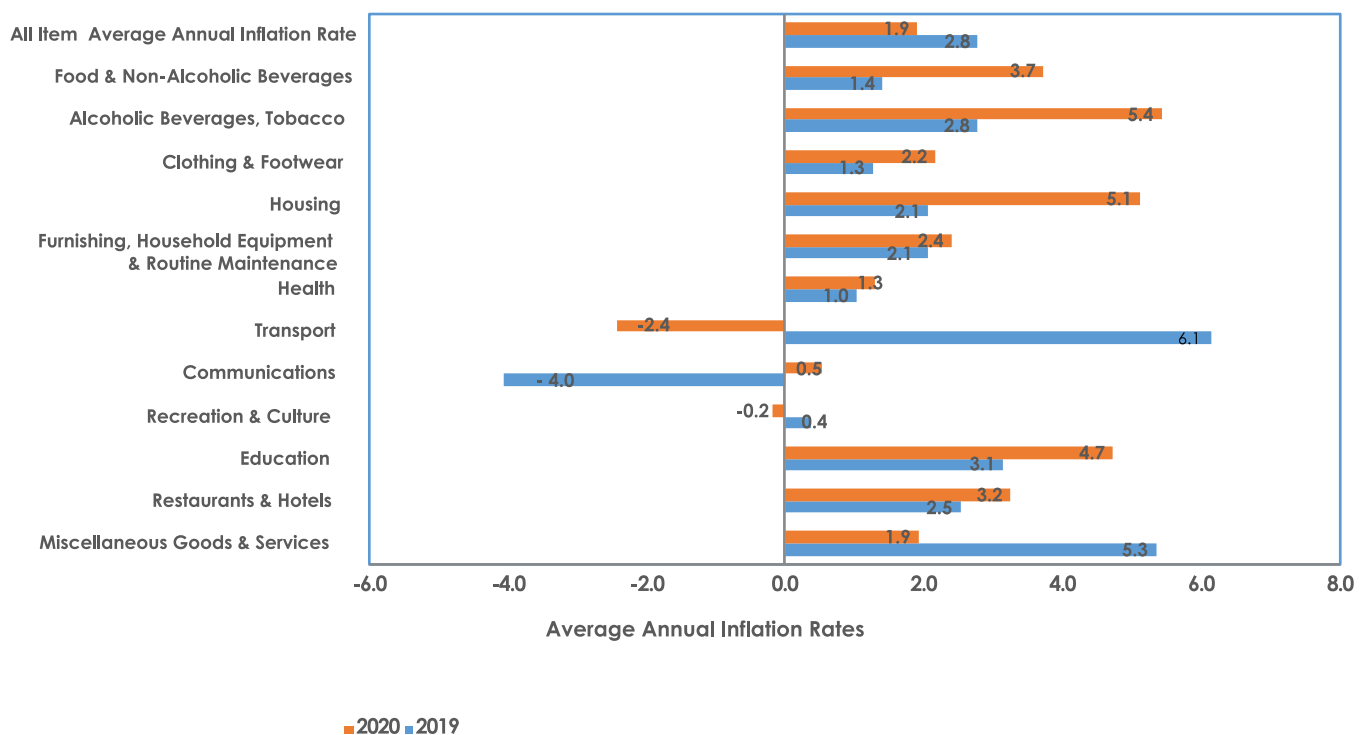


4.0 Comparison of the Average Annual Inflation Rate between 2019 and 2020

The Average annual inflation rate in 2020 stood at 1.9 percent, a decline 0.9 percentage points from the 2019 average inflation rate of 2.8 percent.

The majority of the group indices had an increase in 2020 except for Transport, Miscellaneous Goods & Services and Recreation & Culture which recorded a decline from 6.2 to -2.4, 5.3 to 1.9 and 0.4 to -0.2 percent between 2019 and 2020 respectively. [Refer to Table 2 and Figure 2.](#)

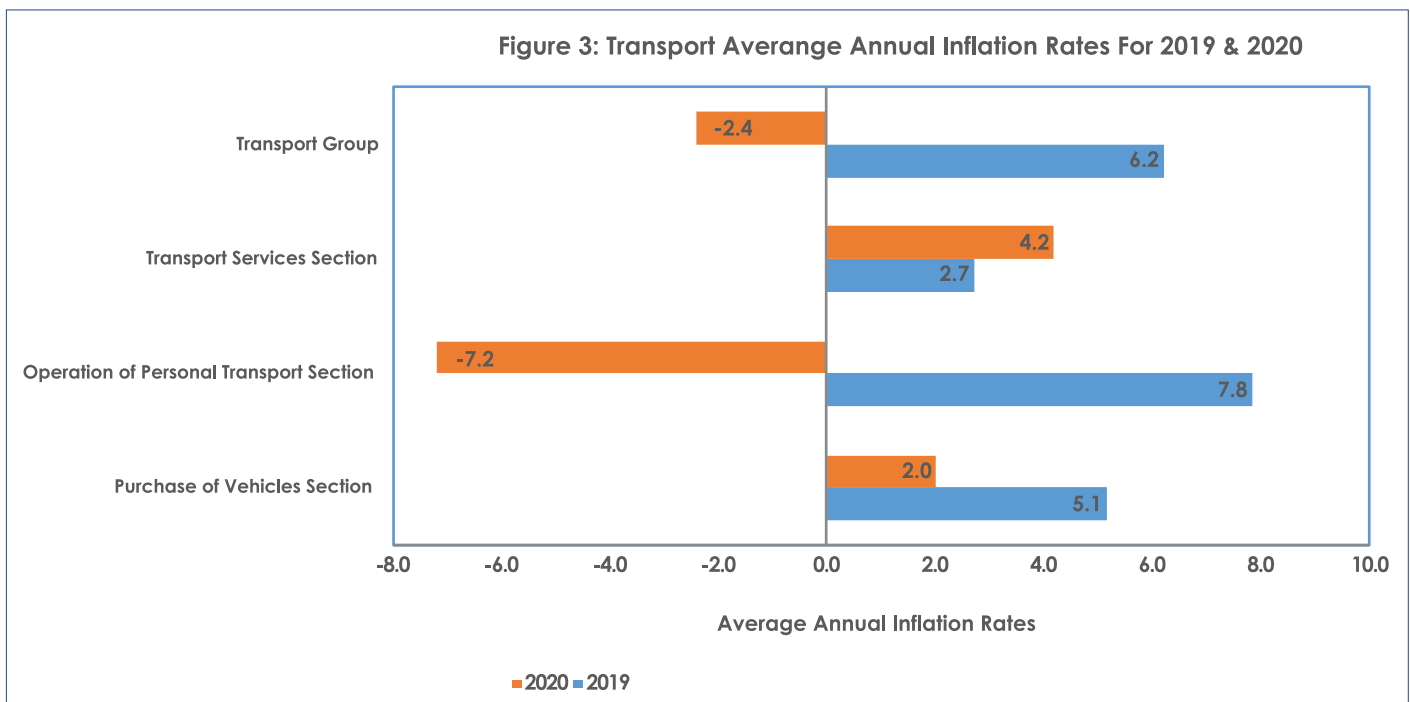
Figure 2: Comparison of Annual Average Inflation Rates of CPI Major Components (Groups) for 2019 and 2020



4.1 Transport

The Transport Group Index declined by 2.4 percent in 2020 compared to a rise of 6.2 percent in 2019. The fall in this group index was mainly caused by the decrease in the section index of Operation of Personal Transport from 7.8 percent in 2019 to -7.2 percent in 2020. The retail pump price for petrol and diesel fell by P0.13 and P0.10 per litre respectively in April 2020. A similar development was again recorded in June 2020 whereby retail pump prices for petrol and diesel dropped by P1.63 and P1.40 per litre respectively. The reduction in economic activity such as limited travel and temporary closures to comply with the COVID-19 protocols led to lower demand for fuel in 2020 compared to 2019, causing the oil producing countries to reduce oil prices, resulting in lower prices of diesel and petrol. Also the Purchase of vehicles section reflected a decrease in inflation rate, from 5.1 percent in 2019 to 2.0 percent in 2020. (See Table 3 and Figure 3).

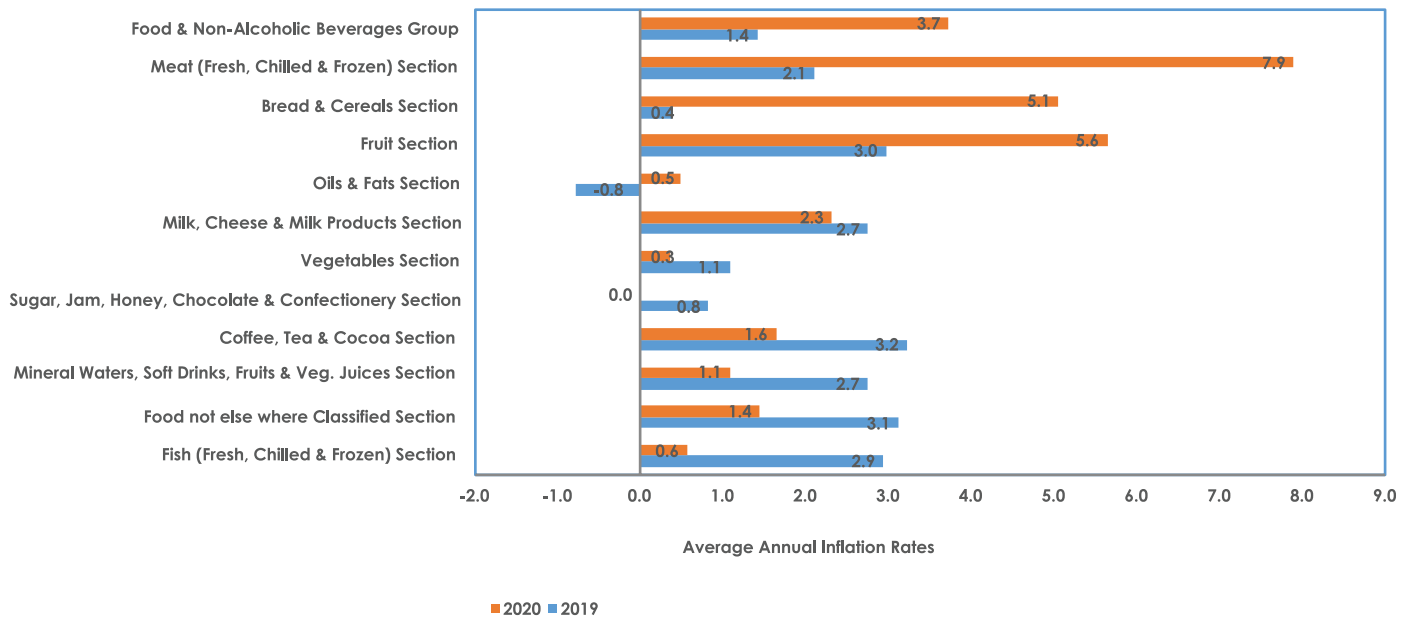
The inflation rate of Transport Services section increased from 2.7 registered in 2019 to 4.2 in 2020. This was a result of the increase of minibus and taxi fares in September 2020. Despite this increase, the decline of the sections inflation of Operation of Personal Transport and Purchase of Vehicles dominated the average Group Index since they have larger weights. Air fare and railway passenger fares remained stagnant because of the suspension of travel to comply with the COVID-19 protocols.



4.2 Food & Non-Alcoholic Beverages

The Food Inflation rate in 2020 was 3.7 percent as opposed to 1.4 percent recorded in 2019. The Food outlets were classified under the category providing the essential goods and services, which were allowed to be fully operational during the lockdown. Applying significant pressure to the increase in this group were Bread & Cereals section with an inflation rate of 5.1 percent, up from 0.4 percent in 2019 and Meat, with an inflation rate of 7.9 percent in 2020 compared to 2.1 percent registered in 2019. Other sections to note include Fruits with an inflation rate of 5.6 percent in 2020, from 3.0 percent in 2019 and Oils & Fats section that went up by 1.3 percentage points from -0.8 percent in 2019 to 0.5 percent in 2020. The remaining sections recorded a decline in 2020. See Table 3 and Figure 4.

Figure 4: Food & Non-Alcoholic Beverages Average Annual Inflation Rates For 2019 & 2020

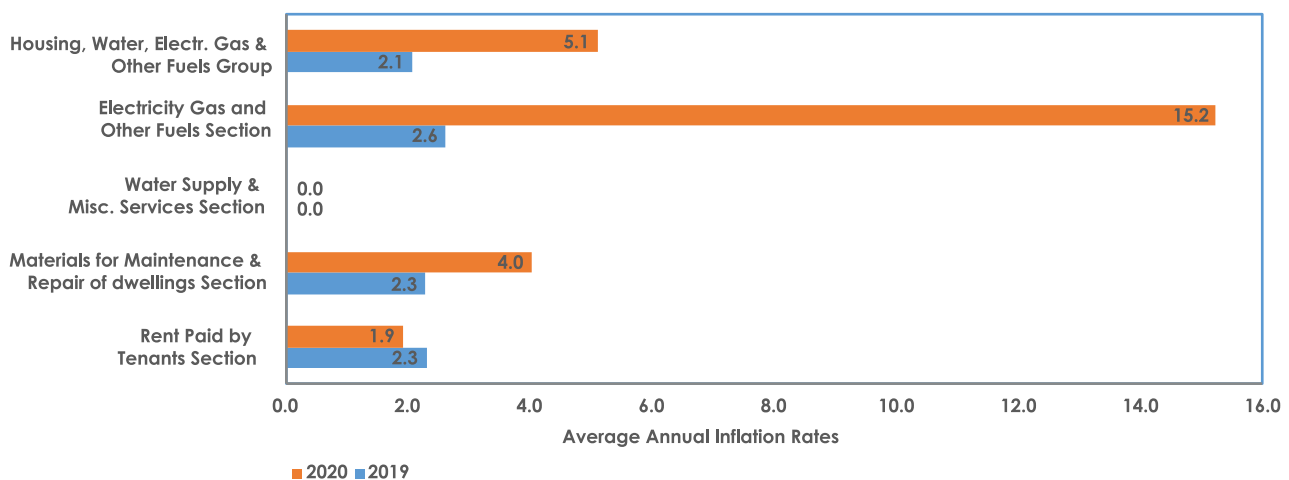


4.3 Housing, Water, Electricity, Gas & Other Fuels

The Housing, Water, Electricity, Gas & Other Fuels group inflation stood at 5.1 percent in 2020 from 2.1 percent registered in 2019. The main stimulus of growth was the rise of the constituent section Index of Electricity, Gas and other Fuels. This was a result of the adjustment in the electricity tariffs in April 2020. Compared to the previous year, the inflation rate of Electricity, Gas and other Fuels went up by 12.6 percentage points, from 2.6 percent to 15.2 percent in 2020.

In addition, the section of Materials for Maintenance & Repair of dwellings went up 1.7 percentage points, to 4.0 percent from 2.3 percent in 2019. Water Supply & Miscellaneous Services section recorded no change in the inflation rate from 2019 to 2020. Rent Paid by Tenants section inflation rate declined from 2.3 percent in 2019 to 1.9 percent in 2020. [Refer to Table 3 and Figure 5.](#)

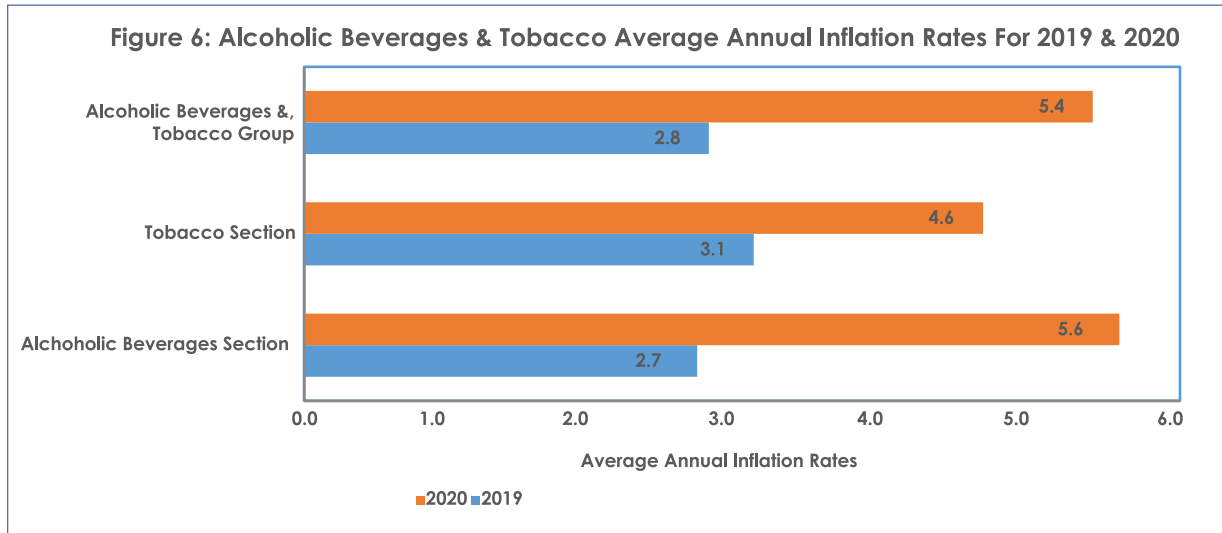
Figure 5: Housing, Water, Electricity Gas & Other Fuels Average Annual Inflation Rates For 2019 & 2020



4.4 Alcoholic Beverages & Tobacco

The Alcoholic Beverages & Tobacco Group was the most affected by the Covid-19 regulations since the sale of alcohol was often suspended during the year 2020. The Group inflation recorded 5.4 percent in 2020, growing by 2.6 percentage points from 2.8 percent in 2019.

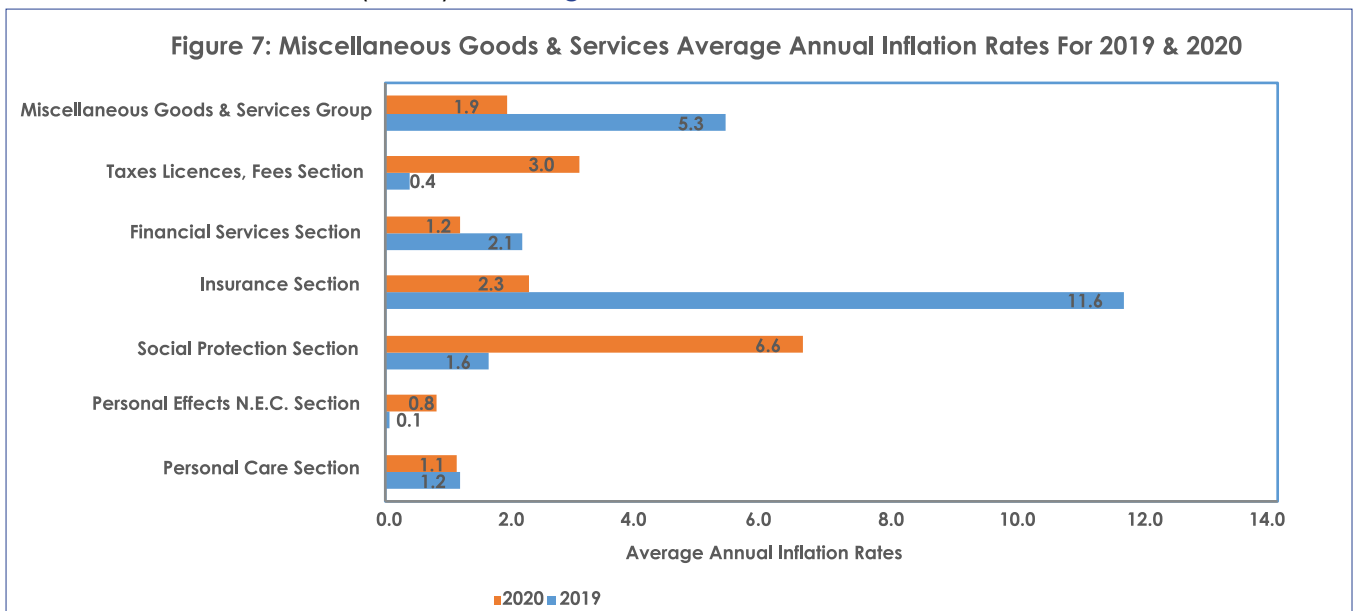
Amidst the restrictions imposed on the sale of alcoholic beverages, the section inflation rate registered 5.6 percent in 2020 while the previous year it was 2.7 percent. The Tobacco section recorded 4.6 percent in 2020 from 3.1 percent in 2019. **Refer to Table 3 and Figure 6.**



4.5 Miscellaneous Goods & Services Group

The Miscellaneous Goods & Services Group inflation rate went down by 3.4 percentage points from 5.3 percent in 2019 to 1.9 percent in 2020.

Considering the sections in this group, Insurance dropped from 11.6 percent in 2019 to 2.3 percent in 2020. Similarly, Personal care declined from 1.2 percent in 2019 to 1.1 percent in 2020. The Financial services inflation rate registered a decline of 1.2 percent in 2020 from 2.1 percent in 2019. This slowing down of these sections' inflation rate were associated with the COVID-19 pandemic, which led to economic disruptions that distressed the commercial markets to be fully operational across the globe. The Social Protection section recorded increase of inflation rate from 1.6 percent in 2019 to 6.6 percent in 2020 while the Taxes, Licences, Fees section stood at 3.0 percent in 2020 compared to 0.4 percent registered in 2019. The rise in Social Protection section was mainly attributed to increases in the Creche and Kindergartens' school fees at the beginning of 2020. The rise in Taxes, Licences, and Fees section was predominately driven by price increase of the funeral costs (coffin). **See Figure 7.**



4.6 Other Groups

Most of the group Indices had an upward movement in 2020. Education Group inflation rate grew by 1.6 percentage points from 3.1 percent in 2019 to 4.7 percent in 2020, whereas, the Health Group registered 1.0 percent in 2019 and 1.3 percent in 2020. The increase of Health group inflation correlated with the demand for the health checks needed to monitor the spread of the COVID-19.

Restaurants & Hotels Group inflation was 3.2 percent in 2020 compared to 2.5 percent in 2019. Contributing to the rise was mainly the Restaurants, Cafes and the Like, which increased by 3.7 percent in 2020, compared to 2.4 percent in 2019. The Accommodation Services section registered inflation rate of 0.9 percent in 2020 as opposed to 3.1 percent in 2019. The drop in Accommodation Services' Inflation stemmed from the reduced tourist activity and stay at home measures to control the spread of COVID-19. Clothing & Footwear Group inflation recorded a 0.9 of a percentage point increase from 1.3 percent in 2019 to 2.2 percent in 2020. Furnishing, Household Equipment & Routine Maintenance Group inflation stood at 2.4 percent in 2020 as opposed to 2.1 percent in 2019. **(Refer to Table 3)**

Communications Group inflation grew by 4.3 percentage points from -3.8 percent in 2019 to 0.5 percent in 2020. The main cause for this rise was the increase of Telephone & Telefax Services section which rose by 5.2 percentage points from -5.2 to 0.0. This increase coincided with the high demand for the use of electronic devices for instance the emails and virtual platforms as a means of communication for holding meetings and working from home to curb spread of the Coronavirus disease. Recreation & Culture Group Index had a negative growth of 0.2 percent in 2020 compared to 0.4 percent increase in 2019. This was supported by the suspension of Recreational & Culture services, which led to the drop in inflation from 0.6 percent in 2019 to -1.9 percent in 2020 to comply with the COVID-19 rules. **(See Table 3).**

4.7 Annual Inflation Rate by Strata

Average annual prices rose at a slower pace in every strata in 2020 compared with a year earlier. Prices rose slowest in Rural Villages at 1.6 percent in 2020 compared to 2.0 percent in 2019. Cities/Towns and Urban villages recorded an average annual inflation rate of 1.9 and 2.0 percent in 2020 as opposed to 3.1 and 2.9 percent registered in 2019 respectively. As stated above in this brief the regions' inflation rates were also affected by COVID-19 restrictions such as the temporary businesses closure and reduced operating capacities of the retail outlets. **See Table 4.**

4.8 Annual Inflation Rate by Tradeability

All-Tradeables average annual inflation rate was 0.8 percent in 2020, a drop of 2.4 percentage points on the 2019 average rate of 3.2 percent. The Non-Tradeables average annual inflation rate moved from 2.2 percent in 2019 to 3.4 percent in 2020, recording a growth of 1.2 percentage points. The Domestic Tradeables average annual inflation rate stood at 4.9 percent in 2020, a rise of 2.3 percentage points from 2.6 percent in 2019. The Imported Tradeables average annual inflation was - 0.6 percent in 2020, a decline of 2.9 percentage points on the 2019 average rate of 3.5 percent. The downward movement of average inflation rate in 2020 for the items/products classified as the Imported Tradeables in the CPI basket coincided with the limited international trade, which was experienced worldwide due to the COVID-19 protocols. **See Table 5 and 8.**

TABLE 1: **Contribution to Average Annual Inflation Rate for 2020**

Group Code	Group Name	Contribution
0	All Items (Average Inflation Rate)	1.9
1	Food & Non-Alcoholic Beverages	0.5
2	Alcoholic Beverages & Tobacco	0.2
3	Clothing & Footwear	0.1
4	Housing	0.9
5	Furnishing, Household Equipment & Routine Maintenance	0.1
6	Health	0.0
7	Transport	-0.6
8	Communication	0.0
9	Recreation & Culture	0.0
10	Education	0.2
11	Restaurant & Hotels	0.1
12	Miscellaneous Goods & Services	0.2

TABLE 2: **Annual percentage change of Consumer Price Indices between 2018 and 2019, by major component, for Botswana**

Group	Weight	2019	2020	Annual Average Change 2019 Percent	Annual Average Change 2020 Percent
Food & Non-Alcoholic Beverages	13.55	101.8	105.6	1.4	3.7
Alcoholic Beverages, Tobacco & Narcotics	4.34	102.5	108.0	2.8	5.4
Clothing & Footwear	5.95	100.7	102.9	1.3	2.2
Housing	17.45	100.8	105.9	2.1	5.1
Furnishing, Household Equipment & Routine Maintenance	4.85	101.4	103.9	2.1	2.4
Health	3.38	100.5	101.8	1.0	1.3
Transport	23.43	100.8	98.4	6.2	-2.4
Communications	6.94	100.2	100.7	-3.8	0.5
Recreation & Culture	2.82	100.2	100.0	0.4	-0.2
Education	4.60	103.1	108.0	3.1	4.7
Restaurants & Hotels	3.66	101.4	104.7	2.5	3.2
Miscellaneous Goods & Services	9.01	104.0	106.0	5.3	1.9
All Item Index	100.0	101.4	103.3	2.8	1.9

TABLE 3: 2020 National Consumer Price Groups and Sections Inflation Rates (December 2018=100.0)

Group Section	Weights	2019 inflation	2020 inflation	Group Section	Weights	2019 inflation	2020 inflation
1. Food & Non-Alcoholic Beverages	13.55	1.4	3.7	6. Health	3.38	1.0	1.3
Bread & Cereals	4.26	0.4	5.1	Medical Products, App. & Equip.	0.98	3.3	1.9
Meat (Fresh, Chilled & Frozen)	2.36	2.1	7.9	Out-patient Services	0.93	0.7	1.7
Fish (Fresh, Chilled & Frozen)	0.18	2.9	0.6	Hospital Services	1.47	0.0	0.7
Milk, Cheese & Milk Products	0.98	2.7	2.3				
Oils & Fats	0.92	-0.8	0.5	7. Transport	23.43	6.2	-2.4
Fruit	0.78	3.0	5.6	Purchase of Vehicles	5.74	5.1	2.0
Vegetables	1.08	1.1	0.3	Operation of Personal Transport	12.56	7.8	-7.2
Sugar, Jam, Honey, Chocolate & Confectionery	1.11	0.8	0.0	Transport Services	5.13	2.7	4.2
Food not else where Classified	0.54	3.1	1.4				
Coffee, Tea & Cocoa	0.73	3.2	1.6	8. Communication	6.94	-3.8	0.5
Mineral Waters, Soft Drinks, Fruits & Veg. Juices	0.62	2.7	1.1	Postal Services	0.21	0.0	3.4
				Telephone & Telefax Equipment	1.13	0.2	2.5
2. Alcoholic Beverages & Tobacco	4.34	2.8	5.4	Telephone & Telefax Services	5.60	-5.2	0.0
Alcoholic Beverages	3.51	2.7	5.6				
Tobacco	0.82	3.1	4.6	9. Recreation & Culture	2.82	0.4	-0.2
				Audio Visual, Photographic Info. Proce. Equip.	2.10	0.0	-0.3
3. Clothing & Footwear	5.95	1.3	2.2	Other Recreational Items & Equip.	0.30	1.2	1.2
Clothing	2.60	1.4	2.3	Recreational & Cultural Services	0.31	0.6	-1.9
Other articles of Clothing	0.72	1.2	2.0	Newspapers, Books & Stationary	0.11	3.7	3.3
Cleaning, Repair & Hire	0.61	2.5	3.6				
Footwear	2.03	0.4	1.6	10. Education	4.60	3.1	4.7
				Pre-Primary & Primary Education	1.89	3.4	4.8
4. Housing, Water, Electr. Gas & Other Fuels	17.45	2.1	5.1	Secondary & Tertiary Education	2.70	3.0	4.7
Rent paid by Tenants	7.78	2.3	1.9				
Materials for Maintenance & Repair of dwellings	3.83	2.3	4.0	11. Restaurants & Hotels	3.66	2.5	3.2
Water Supply & Misc. Services	1.96	0.0	0.0	Restaurants, Cafes and the Like	3.02	2.4	3.7
Electricity Gas and other Fuels	3.89	2.6	15.2	Accommodation Services	0.64	3.1	0.9
5. Furnishing, Household Equipment & Routine Maintenance	4.85	2.1	2.4	12. Miscellaneous Goods & Services	9.01	5.3	1.9
Furniture & Furnishing	1.35	1.7	2.7	Personal Care	2.33	1.2	1.1
Carpets & Other Floor Coverings	0.27	1.6	2.8	Personal Effects N.E.C.	0.22	0.1	0.8
Household Textiles	0.29	1.3	3.1	Social Protection	0.13	1.6	6.6
Household Appliances	0.72	0.0	1.9	Insurance	3.62	11.6	2.3
Glassware, Tableware & Household Utensils	0.23	2.1	2.6	Financial Services	1.09	2.1	1.2
Small Tools, Miscellaneous Accessories	0.04	1.6	2.7	Taxes Licences, Fees	1.61	0.4	3.0
Goods & Services for H/hold Maintenance	1.95	3.2	2.2				
				All-Items Index	100.0	2.8	1.9

TABLE 4 : Annual Inflation Rates By Strata

	2019 Annual Inflation			2020 Annual Inflation		
	Cities & Towns	Urban Village	Rural Village	Cities & Towns	Urban Village	Rural Village
Months	%	%	%	%	%	%
Jan	4.1	3.4	2.4	2.4	2.3	1.8
Feb	4.0	3.2	2.3	2.3	2.3	1.9
Mar	3.9	3.2	2.2	2.3	2.3	2.0
Apr	2.9	2.6	1.7	2.7	2.6	2.3
May	2.9	2.7	1.8	2.5	2.3	2.2
Jun	3.0	2.9	2.1	1.0	1.1	0.4
Jul	3.1	3.0	2.1	0.9	1.1	0.6
Aug	3.2	3.1	2.2	1.0	1.1	0.7
Sep	3.2	3.1	2.3	1.7	1.9	1.6
Oct	2.5	2.5	1.8	2.2	2.4	2.0
Nov	2.2	2.3	1.5	2.2	2.4	2.0
Dec	2.3	2.3	1.6	2.1	2.4	2.0
Annual Average	3.1	2.9	2.0	1.9	2.0	1.6

TABLE 5: Annual Inflation Rate by Tradeability 2019- 2020

	2019				2020			
	Non-Tradeables Inflation	Domestic Tradeables Inflation	Imported Tradeables Inflation	All Tradeables Inflation	Non-Tradeables Inflation	Domestic Tradeables Inflation	Imported Tradeables Inflation	All Tradeables Inflation
Months	%	%	%	%	%	%	%	%
Jan	3.6	1.5	4.4	3.4	2.4	4.2	1.5	2.2
Feb	3.5	1.4	4.2	3.3	2.3	4.4	1.4	2.2
Mar	3.3	1.5	4.2	3.3	2.3	4.2	1.4	2.1
Apr	0.9	1.9	4.3	3.5	3.3	4.1	1.2	2.0
May	0.8	2.4	4.4	3.7	3.3	4.2	0.8	1.7
Jun	2.0	2.6	3.6	3.2	3.0	5.1	-2.7	-0.6
Jul	2.0	2.9	3.7	3.4	2.9	5.2	-2.7	-0.6
Aug	2.0	3.2	3.7	3.5	2.9	5.4	-2.5	-0.4
Sep	1.9	3.4	3.9	3.6	4.4	5.3	-2.1	-0.1
Oct	2.0	3.5	2.3	2.6	4.6	5.5	-1.3	0.5
Nov	2.1	3.5	1.6	2.1	4.6	5.5	-1.3	0.6
Dec	2.2	3.7	1.6	2.1	4.5	5.4	-1.3	0.5
Annual Average	2.2	2.6	3.5	3.2	3.4	4.9	(0.6)	0.8

TABLE 6 : 2020 National Consumer Price Group and Section Indices (December 2018=100.0)

Group Section	Weights	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Food & Non-Alcoholic Beverages	13.55	103.7	104.2	104.4	104.6	105.2	105.7	106.1	106.5	106.7	106.7	106.9	106.7
Bread & Cereals	4.26	104.7	104.8	104.9	105.1	105.3	106.8	107.9	109.1	109.6	110.2	110.5	110.3
Meat (Fresh, Chilled & Frozen)	2.36	107.4	108.5	109.0	110.3	111.8	111.6	111.5	111.0	110.4	110.4	110.5	111.1
Fish (Fresh, Chilled & Frozen)	0.18	105.3	105.6	105.4	104.2	103.7	103.1	102.5	101.9	101.5	101.1	101.2	101.2
Milk, Cheese & Milk Products	0.98	101.7	102.3	102.4	103.5	104.0	103.6	103.8	104.1	104.3	104.4	104.8	104.9
Oils & Fats	0.92	100.8	101.0	101.0	98.9	99.7	99.9	100.4	101.0	101.2	101.6	101.9	102.5
Fruit	0.78	103.9	105.6	106.4	110.3	110.5	110.1	108.6	107.5	107.7	107.4	109.0	108.1
Vegetables	1.08	102.1	103.1	103.7	100.2	102.0	102.6	104.2	104.7	105.7	105.2	104.1	102.0
Sugar, Jam, Honey, Chocolate & Confectionery	1.11	98.6	98.8	98.8	98.8	99.2	99.4	99.4	99.5	99.8	99.3	99.1	99.3
Food not else where Classified	0.54	103.3	104.0	103.9	104.8	105.0	105.1	104.5	104.4	104.5	104.5	104.4	103.2
Coffee, Tea & Cocoa	0.73	102.2	102.3	102.4	102.5	102.9	103.0	103.4	103.6	103.8	103.5	103.7	103.8
Mineral Waters, Soft Drinks, Fruits & Veg. Juices	0.62	102.7	103.1	103.1	103.0	103.1	103.5	103.5	103.4	103.2	103.1	102.9	102.7
Alcoholic Beverages & Tobacco	4.34	104.5	104.6	104.7	104.8	104.8	108.7	110.3	110.4	110.2	111.0	111.0	111.3
Alcoholic Beverages	3.51	104.5	104.7	104.7	104.8	104.8	108.8	110.6	110.6	110.4	111.3	111.3	111.5
Tobacco	0.82	104.4	104.4	104.7	104.8	104.9	108.3	109.0	109.5	109.6	109.7	109.7	110.1
Clothing & Footwear	5.95	101.7	101.8	102.0	102.1	102.4	102.9	103.2	103.3	103.5	103.9	103.9	104.1
Clothing	2.60	102.2	102.2	102.5	102.6	103.1	103.4	103.6	103.7	104.0	104.2	104.5	104.6
Other articles of Clothing	0.72	101.3	101.7	101.8	101.8	102.2	102.4	102.8	103.1	103.3	103.6	103.6	103.8
Cleaning, Repair & Hire	0.61	102.9	103.0	103.0	103.0	103.6	104.9	104.9	104.4	105.1	106.1	105.5	105.9
Footwear	2.03	100.8	100.9	101.2	101.3	101.3	101.9	102.4	102.4	102.5	102.8	102.9	103.1
Housing, Water, Electr. Gas & Other Fuels	17.45	101.6	101.7	101.9	106.5	106.6	106.7	106.9	107.2	107.7	107.9	108.2	108.5
Rent paid by Tenants	7.78	102.5	102.5	103.0	103.0	103.0	103.0	103.0	103.0	103.4	103.4	103.4	103.6
Materials for Maintenance & Repair of dwellings	3.83	102.1	102.3	102.2	102.9	103.3	103.9	104.9	106.1	107.4	108.5	109.7	110.7
Water Supply & Misc. Services	1.96	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Electricity Gas and other Fuels	3.89	100.1	100.1	100.1	120.2	120.3	120.0	120.1	120.4	120.4	120.5	120.4	120.5
Furnishing, Household Equipment & Routine Maintenance	4.85	103.0	103.3	103.5	103.7	103.7	103.9	103.7	104.0	104.1	104.4	104.5	104.7
Furniture & Furnishing	1.35	102.2	102.9	103.1	103.2	103.4	103.9	103.9	104.1	104.2	104.4	104.4	104.2
Carpets & Other Floor Coverings	0.27	101.8	101.9	102.2	102.9	102.9	103.3	103.6	103.9	104.0	105.1	105.1	105.2
Household Textiles	0.29	102.5	102.6	102.6	102.7	102.9	103.7	104.1	104.8	105.0	105.1	105.0	105.1
Household Appliances	0.72	100.3	100.5	100.7	100.8	101.0	101.7	102.2	102.6	102.4	102.9	103.3	104.4
Glassware, Tableware & Household Utensils	0.23	103.1	103.4	103.5	103.5	103.6	103.8	103.7	103.8	104.5	104.8	105.0	105.6
Small Tools, Miscellaneous Accessories	0.04	102.9	102.9	103.0	103.2	103.2	103.6	104.4	105.0	105.5	106.7	106.8	107.1
Goods & Services for H/hold Maintenance	1.95	104.7	105.0	105.1	105.4	105.1	104.8	104.1	104.3	104.5	104.5	104.7	104.9
Health	3.38	101.0	101.0	101.1	101.5	101.7	102.0	102.0	102.1	102.2	102.2	102.3	102.4
Medical Products, App. & Equip.	0.98	102.4	102.3	102.6	102.7	103.3	103.4	103.5	103.5	103.5	103.6	103.7	104.1
Out-patient Services	0.93	101.0	101.2	101.4	101.4	101.6	102.2	102.2	102.7	102.7	102.8	103.1	103.1
Hospital Services	1.47	100.0	100.0	100.0	100.8	100.8	100.9	100.9	100.9	100.9	100.9	100.9	100.9
Transport	23.43	101.3	101.4	101.3	101.3	100.7	93.9	93.9	94.0	97.0	98.4	98.6	98.7
Purchase of Vehicles	5.74	104.2	104.4	104.2	104.2	103.5	103.7	103.6	103.9	104.9	106.3	107.1	107.3
Operation of Personal Transport	12.56	100.4	100.4	100.5	100.5	99.6	86.8	86.8	87.0	87.0	89.1	89.1	89.2
Transport Services	5.13	100.1	100.1	100.1	100.1	100.1	100.1	100.2	100.2	112.6	112.5	112.5	112.5

TABLE 6 Continued: **2020 National Consumer Price Group and Section Indices (December 2018=100.0)**

Group Section	Weights	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Communication	6.94	100.4	100.3	100.3	100.3	100.4	100.5	100.6	100.8	100.8	101.3	101.3	101.1
Postal Services	0.21	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	113.6	113.6	113.6
Telephone & Telefax Equipment	1.13	102.2	102.0	101.7	101.7	102.3	103.3	103.6	104.7	105.1	105.2	105.2	104.4
Telephone & Telefax Services	5.60	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Recreation & Culture	2.82	99.8	100.0	100.0	99.7	99.5	99.5	99.6	99.8	100.2	100.2	100.5	100.7
Audio Visual, Photographic Info. Proce. Equip.	2.10	99.2	99.4	99.5	99.5	99.2	99.2	99.4	99.5	100.0	100.0	100.4	100.7
Other Recreational Items & Equip.	0.30	101.6	101.9	102.0	101.6	101.6	101.4	101.4	102.9	102.8	102.7	102.5	102.7
Recreational & Cultural Services	0.31	99.9	99.9	99.9	97.4	97.4	97.3	97.3	97.4	97.4	97.4	97.4	97.5
Newspapers, Books & Stationary	0.11	105.1	105.1	105.2	105.5	105.7	105.9	105.9	105.9	106.2	106.2	106.3	106.1
Education	4.60	107.9	108.0	108.0	108.0	108.0	108.0	108.0	108.0	108.0	108.0	108.0	108.0
Pre-Primary & Primary Education	1.89	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3	108.3
Secondary & Tertiary Education	2.70	107.7	107.7	107.7	107.7	107.7	107.7	107.7	107.8	107.8	107.8	107.8	107.8
Restaurants & Hotels	3.66	103.7	103.9	104.2	104.4	104.7	104.8	104.8	104.8	105.1	105.3	105.5	105.3
Restaurants, Cafes and the Like	3.02	103.7	104.0	104.3	104.5	104.9	105.0	105.0	105.3	105.7	106.1	106.5	107.0
Accommodation Services	0.64	103.4	103.5	103.9	103.9	103.9	103.9	104.0	102.7	102.1	101.2	100.7	97.6
Miscellaneous Goods & Services	9.01	105.5	105.6	105.4	106.1	106.2	106.2	105.9	105.8	106.0	106.2	106.3	106.4
Personal Care	2.33	101.2	101.3	101.5	103.2	103.7	103.2	102.1	101.7	102.0	101.8	101.5	101.6
Personal Effects N.E.C.	0.22	100.4	100.6	100.7	100.7	100.8	100.9	101.1	101.0	100.9	101.0	101.2	101.2
Social Protection	0.13	108.2	108.2	108.2	108.2	108.2	108.2	108.2	108.2	108.2	108.2	108.2	108.2
Insurance	3.62	111.5	111.5	110.8	110.8	110.5	110.8	111.0	110.8	111.1	111.4	111.7	111.8
Financial Services	1.09	101.2	101.4	101.5	101.5	102.0	102.0	101.4	101.5	101.6	102.6	102.8	102.9
Taxes Licences, Fees	1.61	101.6	102.0	102.2	103.7	103.4	103.6	103.7	103.8	103.9	104.0	104.1	104.1
All-Items Index	100.0	102.6	102.7	102.8	103.7	103.7	102.4	102.6	102.8	103.6	104.1	104.3	104.4

TABLE 7: **Consumer Price Index And Inflation Rates By Strata For 2020**

		Cities & Towns	Urban Village Index	Rural Village Index	Annual Inflation Cities & Towns	Urban Village	Rural Village
Weights		0.38	0.41	0.21	%	%	%
2020	Jan	102.8	102.6	102.0	2.4	2.3	1.8
	Feb	102.9	102.8	102.1	2.3	2.3	1.9
	Mar	102.9	102.9	102.3	2.3	2.3	2.0
	Apr	103.9	103.9	103.0	2.7	2.6	2.3
	May	103.9	103.8	103.1	2.5	2.3	2.2
	Jun	102.6	102.7	101.5	1.0	1.1	0.4
	Jul	102.7	102.9	101.8	0.9	1.1	0.6
	Aug	102.8	103.1	102.0	1.0	1.1	0.7
	Sep	103.7	104.0	102.9	1.7	1.9	1.6
	Oct	104.2	104.4	103.4	2.2	2.4	2.0
	Nov	104.4	104.6	103.6	2.2	2.4	2.0
	Dec	104.4	104.7	103.7	2.1	2.4	2.0
Annual Average		103.4	103.5	102.6	1.9	2.0	1.6

TABLE 8: Consumer Price Index And Inflation Rate By Tradeability - 2020 (December 2018 = 100.0)

		All Item Index	Inflation	Non-Tradeables Index	Inflation	Domestic Tradeables Index	Inflation	Imported Tradeables Index	Inflation	All Tradeables Index	Inflation
Weights		100.0	%	42.29	%	15.46	%	42.26	%	57.71	%
2020	Jan	102.6	2.2	102.5	2.4	105.0	4.2	101.8	1.5	102.6	2.2
	Feb	102.7	2.2	102.6	2.3	105.4	4.4	102.0	1.4	102.8	2.2
	Mar	102.8	2.2	102.6	2.3	105.6	4.2	102.0	1.4	102.9	2.1
	Apr	103.7	2.5	104.6	3.3	106.0	4.1	102.1	1.2	103.1	2.0
	May	103.7	2.4	104.7	3.3	106.6	4.2	101.8	0.8	103.1	1.7
	Jun	102.4	0.9	104.7	3.0	107.7	5.1	98.3	-2.7	100.8	-0.6
	Jul	102.6	0.9	104.7	2.9	108.1	5.2	98.5	-2.7	101.0	-0.6
	Aug	102.8	1.0	104.7	2.9	108.5	5.4	98.7	-2.5	101.3	-0.4
	Sep	103.6	1.8	106.4	4.4	108.6	5.3	99.1	-2.1	101.6	-0.1
	Oct	104.1	2.2	106.6	4.6	108.9	5.5	100.0	-1.3	102.3	0.5
	Nov	104.3	2.2	106.7	4.6	109.1	5.5	100.2	-1.3	102.6	0.6
	Dec	104.4	2.2	106.8	4.5	109.2	5.4	100.3	-1.3	102.6	0.5
Annual average		103.3	1.9	104.8	3.4	107.4	4.9	100.4	(0.6)	102.2	0.8

TABLE 9: Average Annual Inflation series for 2010 - 2020 (December 2018=100)

	Group	Weights	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1	Food & Non-Alcoholic Beverages	13.55	3.6	6.9	8.0	5.4	3.0	1.3	2.7	3.4	(0.5)	1.4	3.7
2	Alcoholic Beverages & Tobacco	4.34	7.1	8.4	7.6	10.3	9.0	6.1	2.5	4.5	1.1	2.8	5.4
3	Clothing & Footwear	5.95	8.0	8.9	7.5	6.3	6.0	7.6	6.5	3.2	1.8	1.3	2.2
4	Housing, Water, Electr. Gas & Other Fuels	17.45	6.4	8.4	7.7	4.3	3.9	7.1	6.3	5.4	4.1	2.1	5.1
5	Furnishing, H/H Equipment & Routine Maintenance	4.85	9.4	9.0	7.3	4.9	5.0	6.1	3.0	3.3	2.1	2.1	2.4
6	Health	3.38	2.7	4.5	5.9	5.5	8.3	6.3	3.0	2.4	1.1	1.0	1.3
7	Transport	23.43	12.1	13.2	10.8	7.3	1.2	(5.1)	(2.7)	1.6	7.5	6.2	(2.4)
8	Communication	6.94	1.2	(3.0)	(1.4)	0.3	0.3	0.3	0.2	0.5	(4.6)	(3.8)	0.5
9	Recreation & Culture	2.82	6.0	8.3	5.8	4.5	4.2	5.7	3.0	2.2	1.8	0.4	(0.2)
10	Education	4.60	5.8	10.6	6.4	4.7	7.4	6.4	3.7	4.1	5.5	3.1	4.7
11	Restaurants & Hotels	3.66	9.0	9.3	8.4	7.9	7.6	5.5	4.0	3.7	3.4	2.5	3.2
12	Miscellaneous Goods & Services	9.01	7.0	5.3	2.0	1.2	5.2	7.2	7.5	3.9	6.4	5.3	2.0
	All-Items Index	100.0	6.9	8.5	7.5	5.9	4.4	3.1	2.8	3.3	3.2	2.8	1.9

Glossary

Consumer Price Index (CPI) is an index which measures price changes in goods and services with reference to a base period.

Inflation is a measurement of price movement of goods and services in a particular country.

Domestic Tradeables refers to the goods and services which a country (Botswana) can export to other countries.

Imported Tradeables represents the goods and services which a country (Botswana) imports from other countries (trading partners).

Non-Tradeables refers to the goods and services which a country cannot either export or import to other countries.

All-Tradeable refers to the total of **Domestic** and **Imported tradeables**.

Trimmed Mean Core Inflation- attempts to remove 8 percent (by weight) of the commodity sub-groups with the largest price changes at each of the ends of an ordered series of price changes in any given month.

Core inflation by Exclusion is a measure used to remove the volatility inherent in prices that are only adjusted periodically and not always in response to currently prevailing market forces.

Basket -A specified set of goods and services contained in the CPI basket

Weights normally represent the relevant importance of the item or product in a group.



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