



Kingdom of Lesotho



**Statistical Report
No.21:2019**

**CONSUMER PRICE INDEX
JULY 2019**



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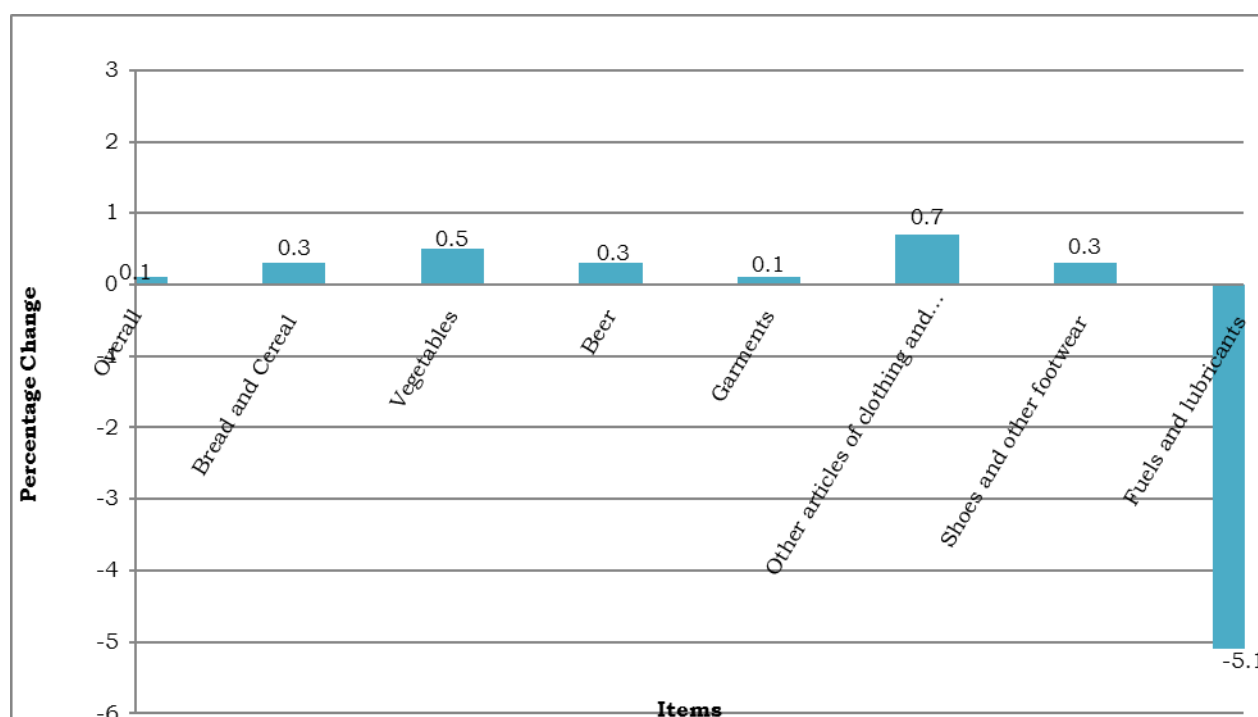
1. Introduction

This report presents the Consumer Price Indices (CPI) for July 2019 for Lesotho. The CPI is an indicator that shows changes in the cost of buying a fixed bundle of consumer goods and services as determined for the base period. In this report, CPI is calculated on monthly basis; thus, CPI is calculated comparing the prices of the current month with the prices of the previous month. Prices are collected every month in twelve urban areas and about seventy selected rural areas of Lesotho by personal visits to the outlets. About 40000 price quotations are collected in about 800 outlets for about 350 commodity items.

2. Monthly Consumer Price Index

This section covers the monthly price change for Lesotho. As depicted by Figure 1, the overall monthly CPI change for July 2019 is 0.1 percent which shows 0.2 percentage decrease from the index level observed in June 2019. The overall CPI measures a change in the index level for all items in July 2019 compared to the index level for all items in June 2019. The observed increase in monthly price indices was recorded for the following classes with their respective percentages: Bread and cereals with 0.3 percent, Vegetables with 0.5 percent, Beer with 0.3 percent, Garments with 0.1 percent, Other articles of clothing and clothing accessories with 0.7 percent as well as Shoes and other footwear with 0.3 percent. However, the increases in monthly price indices were counteracted by a decline of 5.1 percent for Fuels and lubricants for personal transport equipment.

Figure 1: Monthly CPI change for July 2019 for selected items



The large monthly increases in the classes mentioned above were observed in the price indices of the following specific commodity items: White bread, Brown bread, Lettuce, Pumpkin, National Beer, Boy's Jacket, Women's Jean, Other accessories, Boys casual shoes as well as Men original sports shoes.

3. 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.

The annual inflation rate in this report is computed by comparing the CPI level of July 2019 to that of July 2018. The annual inflation rate is estimated at 5.4 percent (see Table 1) which shows 0.2 percentage points decrease from the rate observed in June 2019.

The divisions, which showed a significant annual increase in the inflation rate were: Food and Non-Alcoholic Beverages (6.6 percent), Clothing and footwear (3.7 percent), Housing, Water, Electricity, Gas (9.2 percent), Furnishings, Household Equipment and Routine Maintenance of the House (3.1 percent), Recreation and culture (4.6 percent) and Miscellaneous goods and services (3.8 percent) (see Table 1).

The following groups had a contribution to the annual increase: Food with 6.7 Percent, Alcohol with 4.9 percent, Clothing with 4.0 percent, Electricity, Gas and other fuels with 13.0 percent, Transport services with 17.0 percent as well as Personal care with 4.4 percent.

4. Services and Commodities Indices

Services and commodities (disaggregated into Non-durables, semi durables and durables) indices are presented in this section. The services index is derived by aggregating all the services indices. Non-durables, semi durables and durable indices are calculated by aggregating all the Non-durables, semi durables and durables indices respectively.

The monthly increase was observed with the following percentages; Semi- Durables with 0.2 percent while Non- Durables, Services and Durables increased with 0.1 percent. The annual inflation rates were 6.2, 3.9, 3.4 and 3.1 percent for Non-Durables, Semi-Durables, Durables and Services respectively (see Table 1).

Annex 1: Tables

Table 1: Monthly Consumer Price Indices by COICOP Divisions – July 2019

	Weight	Index numbers				% change	
		July '18	June 2019	May 2019	April 2019	July 2019	June 2019
Overall CPI	1000	107.88	113.60	113.70	0.1	5.4	
01. Food & Non-alcoholic beverages	361.13	109.30	116.28	116.54	0.2	6.6	
02. Alcohol and Tobacco	33.31	109.94	115.30	115.71	0.4	5.3	
03. Clothing & Footwear	130.57	102.92	106.46	106.69	0.2	3.7	
04. Housing, Water, Electricity, Gas and Other Fuels	123.97	114.46	125.16	125.02	-0.1	9.2	
05. Furnishings, Household Equipment and Routine Maintenance of the House	84.77	106.93	110.04	110.25	0.2	3.1	
06 Health	15.04	100.90	101.52	101.59	0.1	0.7	
07. Transport	48.21	104.78	111.14	110.16	-0.9	5.1	
08 Communications	21.05	99.18	100.39	100.25	-0.1	1.1	
09. Recreation and culture	57.08	107.41	112.36	112.36	0.0	4.6	
10. Education	42.00	108.30	109.43	109.43	0.0	1.0	
11. Restaurants and Hotels	10.30	103.39	105.00	105.11	0.1	1.7	
12. Miscellaneous goods and services	72.59	105.42	109.35	109.45	0.1	3.8	
Services	200.05	103.70	106.83	106.91	0.1	3.1	
Non-durables	549.99	103.40	109.76	109.86	0.1	6.2	
Semi durables	168.56	103.87	107.76	107.96	0.2	3.9	
Durables	81.40	106.35	109.85	109.91	0.1	3.4	

Table 2: Monthly Consumer Price Indices by COICOP Groups – July 2019

	Weight	Index numbers			% change	
		July '18	May 2019	July 2019	M% May 2019	Y% July 2019
Overall CPI	1000.00	107.88	113.60	113.70	0.1	5.4
01.1Food	348.52	109.32	116.40	116.67	0.2	6.7
01.2Non alcoholic beverages	12.61	108.92	112.97	113.07	0.1	3.8
02.1Alcohol	28.28	110.49	115.60	115.94	0.3	4.9
02.2Tobacco	5.03	106.87	113.63	114.43	0.7	7.1
03.1Clothing	90.26	102.89	106.84	107.01	0.2	4.0
03.2Footwear	40.31	103.00	105.62	105.96	0.3	2.9
04.1Actual rentals for housing	2.49	100.59	101.07	101.07	0.0	0.5
04.2Imputed rent for housing	29.73	100.00	100.00	100.00	0.0	0.0
04.3Maintanance and repair of dwelling	8.03	101.69	105.02	105.24	0.2	3.5
04.4Water and miscellaneous services relating to dwelling	4.38	106.31	111.93	111.93	0.0	5.3
04.5Electricity, Gas and other fuels	79.33	122.06	138.12	137.88	-0.2	13.0
05.1Furniture and furnishings	18.87	105.23	107.18	107.48	0.3	2.1
05.2Household textiles	11.95	124.47	135.48	135.50	0.0	8.9
05.3Houseould appliances	4.56	104.08	105.31	105.64	0.3	1.5
05.4Glassware, tableware and household utensils	5.37	101.18	102.30	102.39	0.1	1.2
05.5Tools and equipment for house and garden	7.08	99.99	100.53	100.52	0.0	0.5
05.6Goods and services for routine household maintenance	36.93	104.64	106.81	107.07	0.2	2.3
06.1Medical products, appliances and equipment	7.68	101.05	101.54	101.60	0.1	0.6
06.2Out-patient services	1.89	102.89	105.80	106.11	0.3	3.1
06.3Hospital services	5.47	100.00	100.00	100.00	0.0	0.0
07.1Purchase of vehicles	8.73	102.88	103.96	103.94	0.0	1.0
7.2Operation of personal transport	23.87	108.18	109.46	107.48	-1.8	-0.7
7.3Transport services	15.60	100.63	117.73	117.73	0.0	17.0
8.1Postal services	0.13	102.95	105.84	105.84	0.0	2.8
8.2Telephone and telefax equipment	1.73	100.00	100.00	98.37	-1.6	-1.6
8.3Telephone and telefax services	19.18	99.08	100.39	100.39	0.0	1.3
9.1Audio-visual, photographic and information processing equipment	42.39	108.89	114.39	114.41	0.0	5.1
9.3Other recreational items and equipment, gardens and pets	0.47	111.50	112.58	112.41	-0.1	0.8
9.4Recreational and cultural services	3.22	103.43	107.27	106.94	-0.3	3.4
9.5 Newspapers, books and stationery	10.74	102.76	106.18	106.23	0.0	3.4
09.6Package holidays	0.26	100.00	100.00	100.00	0.0	0.0
10.1Pre-primary and primary	6.58	114.77	118.38	118.38	0.0	3.1
10.2Secondary education	20.19	111.83	112.67	112.67	0.0	0.7
10.3Post secondary and non-tertiary fee	6.22	100.00	99.41	99.41	0.0	-0.6
10.4Tertiary education	6.04	102.07	103.76	103.76	0.0	1.7
10.5Education not definable by level	2.96	100.00	100.00	100.00	0.0	0.0
11.1Catering services	7.32	104.40	106.07	106.22	0.1	1.7
11.2Accommodation services	2.98	100.91	102.37	102.37	0.0	1.4
12.1Personal care	38.90	107.98	112.69	112.75	0.1	4.4
12.3Personal effects	7.10	103.11	106.44	106.44	0.0	3.2
12.4Social Protection	0.95	100.00	100.00	100.00	0.0	0.0
12.5Insurance	6.31	101.24	101.24	101.24	0.0	0.0
12.6Financial services n.e.c	6.09	105.49	113.61	114.44	0.7	8.5
12.7Other services	13.23	101.47	103.65	103.65	0.0	2.1

Table 3: Monthly Consumer Price Indices by COICOP Classes – July 2019

	Weight	Index numbers			% change	
		July '18	June 2019	July 2019	JMM/2019Y	July 2019
Overall CPI	1000.00	107.88	113.60	113.70	0.1	5.4
01.1.1Bread and cereals	138.36	103.49	113.76	114.07	0.3	10.2
01.1.2Meat	49.04	121.28	128.67	128.70	0.0	6.1
01.1.3Fish	6.73	110.54	115.98	116.60	0.5	5.5
01.1.4Milk, cheese and eggs	22.05	110.68	110.32	110.50	0.2	-0.2
01.1.5Oils and fats	43.96	106.51	110.91	110.96	0.0	4.2
01.1.6Fruit	2.02	112.24	117.35	118.28	0.8	5.4
01.1.7Vegetables	46.40	116.78	120.23	120.81	0.5	3.5
01.1.8Sugar, jam, honey, chocolate and confectionery	22.15	108.48	116.12	116.24	0.1	7.2
01.1.9Food products n.e.c.	17.82	107.70	114.66	115.03	0.3	6.8
01.2.1Coffee, tea and cocoa	6.41	111.52	116.95	117.10	0.1	5.0
01.2.2Mineral waters, soft drinks, fruit and vegetable juices	6.21	106.22	108.86	108.91	0.0	2.5
02.1.1Spirits	0.67	105.99	109.96	110.15	0.2	3.9
02.1.2Wine	2.18	104.03	109.77	109.95	0.2	5.7
02.1.3Beer	25.42	111.16	116.24	116.61	0.3	4.9
02.2.1Tobacco	5.03	106.87	113.63	114.43	0.7	7.1
03.1.1Clothing materials	0.78	106.18	110.58	110.58	0.0	4.2
03.1.2Garments	80.75	102.47	106.51	106.62	0.1	4.0
03.1.3Other articles of clothing and clothing accessories	8.66	106.43	109.54	110.35	0.7	3.7
03.1.4Cleaning, repair and hire of clothing	0.06	105.62	110.76	110.76	0.0	4.9
03.2.1Shoes and other footwear	40.07	103.00	105.63	105.97	0.3	2.9
03.2.2Repair and hire of footwear	0.24	102.61	103.70	103.70	0.0	1.1
04.1.1Actual rentals paid by tenants	2.49	100.59	101.07	101.07	0.0	0.5
04.2.1Imputed rentals of owner-occupiers	29.73	100.00	100.00	100.00	0.0	0.0
04.3.1Materials for the maintenance and repair of the dwelling	4.82	102.82	108.37	108.74	0.3	5.8
04.3.2Services for the maintenance and repair of the dwelling	3.22	100.00	100.00	100.00	0.0	0.0
04.4.1Water supply	3.27	106.70	115.81	115.81	0.0	8.5
04.4.2Refuse collection	0.08	100.00	100.00	100.00	0.0	0.0
04.4.3Sewerage services	0.21	100.00	100.00	100.00	0.0	0.0
04.4.4Other services relating to the dwelling	0.83	107.17	100.68	100.68	0.0	-6.1
04.5.1Electricity	15.26	106.99	114.88	114.88	0.0	7.4
04.5.2Gas	22.50	117.64	139.62	139.16	-0.3	18.3
04.5.3Liquid fuels	28.55	141.04	164.07	163.72	-0.2	16.1
04.5.4Solid fuels	28.55	141.04	164.07	163.72	-0.2	16.1
05.1.1Furniture and furnishings	18.46	105.32	107.32	107.62	0.3	2.2
05.1.2Carpets and other floor coverings	0.38	101.00	100.69	100.85	0.2	-0.1
05.1.3Repair of furniture, furnishings and floor coverings	0.04	102.46	102.46	102.46	0.0	0.0
05.2.1Household textiles	11.95	124.47	135.48	135.50	0.0	8.9
05.3.1Major household appliances whether electric or not	3.94	104.64	105.69	106.05	0.3	1.4

Table 3: Monthly Consumer Price Indices by COICOP Classes (cont.) July 2019

	Weight	July '18	Index numbers		% change	
			June 2019	July 2019	June 2019	July 2019
05.3.2Small electric household appliances	0.61	100.55	102.94	103.07	0.1	2.5
05.3.3Repair of household appliances	0.01	100.00	100.00	100.00	0.0	0.0
05.4.1Glassware, tableware and household utensils	5.37	101.18	102.30	102.39	0.1	1.2
05.5.1Major tools and equipment	5.58	99.66	99.98	99.93	0.0	0.3
05.5.2Small tools and miscellaneous accessories	1.50	101.23	102.62	102.69	0.1	1.4
05.6.1Non-durable household goods	34.07	105.03	107.27	107.39	0.1	2.2
05.6.2Domestic services and home care services	2.86	100.00	101.39	103.29	1.9	3.3
06.1.1Pharmaceutical products	4.80	100.84	101.50	101.60	0.1	0.7
06.1.2Other medical products	0.61	100.93	102.00	102.00	0.0	1.1
06.1.3Therapeutic appliances and equipment	2.26	101.51	101.51	101.51	0.0	0.0
06.2.1Medical Services	1.09	105.01	109.34	109.87	0.5	4.6
06.2.2Dental services	0.13	100.00	100.00	100.00	0.0	0.0
06.2.3Paramedical services	0.67	100.00	101.15	101.15	0.0	1.2
06.3.1Hospital services	5.47	100.00	100.00	100.00	0.0	0.0
07.1.1Motor cars	7.89	103.12	104.29	104.29	0.0	1.1
07.1.3Bicycles	0.07	100.00	102.98	100.14	-2.8	0.1
07.1.4Animal drawn vehicles	0.78	100.70	100.70	100.70	0.0	0.0
07.2.1Spare parts and accessories for personal transport equipment	8.40	101.23	103.53	103.89	0.3	2.6
07.2.2Fuels and lubricants for personal transport equipment	9.39	116.30	114.96	109.12	-5.1	-6.2
07.2.3Maintenance and repair of personal transport equipment	3.37	109.12	114.06	115.43	1.2	5.8
07.2.4Other services in respect of personal transport equipment	2.71	100.49	103.05	103.05	0.0	2.5
07.3.2Passenger transport by road	13.12	100.00	120.65	120.65	0.0	20.7
07.3.3Passenger transport by air	0.24	110.98	123.95	123.95	0.0	11.7
07.3.4Passenger transport by sea and inland waterway	0.03	100.00	100.00	100.00	0.0	0.0
07.3.6Other Transport services	2.21	103.26	100.00	100.00	0.0	-3.2
8.1.1Postal services	0.13	102.95	105.84	105.84	0.0	2.8
8.2.1Telephone and telefax equipment	1.73	100.00	100.00	98.37	-1.6	-1.6
8.3.1Telephone and telefax services	19.18	99.08	100.39	100.39	0.0	1.3
9.1.1Equipment for the reception, recording and reproduction of sound and pictures	35.84	110.38	116.97	116.96	0.0	6.0
9.1.2Photographic and cinematographic equipment and optical instruments	5.91	100.03	99.05	99.05	0.0	-1.0
9.1.3Information processing equipment	0.33	114.61	122.58	125.19	2.1	9.2
9.1.5Repair of audio-visual, photographic and information processing equipment	0.31	100.00	100.00	100.00	0.0	0.0
9.3.1Games, toys and hobbies	0.29	117.76	118.87	118.63	-0.2	0.7
09.3.2Equipment for sport, camping and open-air recreation	0.03	100.00	100.00	100.00	0.0	0.0
09.3.3Gardens, plants and flowers	0.05	103.62	105.94	105.88	-0.1	2.2
09.3.4Pets and related products	0.03	102.67	105.08	104.84	-0.2	2.1
09.3.5Veterinary and other services for pets	0.07	100.00	100.00	100.00	0.0	0.0
09.4.1Recreational and sport services	0.14	100.00	100.00	100.00	0.0	0.0
09.4.2Cultural services	3.06	103.50	107.65	107.31	-0.3	3.7
09.4.3Games of chance	0.02	115.38	100.00	100.00	0.0	13.3
09.5.1Books	3.37	101.49	104.96	104.92	0.0	3.4
09.5.2Newspapers and periodicals	0.61	107.28	112.96	113.10	0.1	5.4
09.5.3Miscellaneous printed matter	0.11	100.00	100.00	100.00	0.0	0.0
09.5.4Stationery and drawing materials	6.66	103.04	106.27	106.37	0.1	3.2
09.6.1Package holidays	0.26	100.00	100.00	100.00	0.0	0.0

Table 3: Monthly Consumer Price Indices by COICOP Classes (cont.) – July 2019

	Weight	July '18	Index numbers		% change	
			May 2019	July 2019	May 2019	July 2019
10.1.1Pre-primary and primary	6.58	114.77	118.38	118.38	0.0	3.1
10.2.1Secondary education	20.19	111.83	112.67	112.67	0.0	0.7
10.3.1Post secondary and non-tertiary fee	6.22	100.00	99.41	99.41	0.0	-0.6
10.4.1Tertiary education	6.04	102.07	103.76	103.76	0.0	1.7
10.5.1Education not definable by level	2.96	100.00	100.00	100.00	0.0	0.0
11.1.1Restaurants, cafés and the like	7.27	104.43	106.11	106.27	0.1	1.8
11.1.2Canteens	0.05	100.00	100.00	100.00	0.0	0.0
11.2.1Accommodation services	2.98	100.91	102.37	102.37	0.0	1.4
12.1.1Hairdressing salons and personal grooming establishments	29.16	108.46	113.58	113.58	0.0	4.7
12.1.2Electrical appliances for personal care	0.19	98.81	100.21	101.54	1.3	2.8
12.1.3Other appliances, articles and products for personal care	9.55	106.71	110.23	110.45	0.2	3.5
12.3.1Jewellery, clocks and watches	0.30	100.19	100.13	100.13	0.0	-0.1
12.3.2Other personal effects	6.80	103.24	106.71	106.71	0.0	3.4
12.4.1Social Protection services	0.95	100.00	100.00	100.00	0.0	0.0
12.5.2Insurance connected with dwelling	0.91	100.00	100.00	100.00	0.0	0.0
12.5.3Insurance connected with health	2.37	103.30	103.30	103.30	0.0	0.0
12.5.4Insurance connected with transport	3.03	100.00	100.00	100.00	0.0	0.0
12.6.2Financial services n.e.c	6.09	105.49	113.61	114.44	0.7	8.5
12.7.1Other services n.e.c	13.23	101.47	103.65	103.65	0.0	2.1

Annex 2: Explanations and Technical Notes

The CPI has been rebased and the new reference period is December 2016. The linking factor was estimated and the indices from December 2016 and the months preceding December were multiplied by this factor. The resulting indices were then multiplied by 100/ December Index.

The formula used in calculating the price indices is Modified Laspeyres index formula with elementary price indices being calculated using geometric mean. The officially accepted method of measuring inflation rate in Lesotho is the index for the current month compared with that of the corresponding month in the previous year.

$$\{(I_c/I_p)-1\} \times 100 = \text{Inflation rate}$$

Where: I_c = index for the current month,
 I_p = index for the same month in the previous year.

Bureau of Statistics (BOS) recommends this method over others for estimating the annual inflation rate. This method tends to eliminate any possible seasonal effects, since the indices for the corresponding months are compared. However, it should be borne in mind that inflation rate calculated according to this method fluctuates considerably.

Goods and services are classified according to Classification of Individual Consumption according to Purpose -International Comparison Programme (COICOP-ICP).

The weights are calculated on the basis of the 2010/11 Household Budget Survey (HBS). The CPI results are published on the 20th day of the month following the reference month of data collection. Additional and more detailed information is also available from the BOS website: www.bos.gov.ls, Email address: economics@bos.gov.ls and or at BOS Library.

Annex 3: Areas where monthly price data are collected

DISTRICT	AREA: URBAN	AREA: RURAL
1. Butha-Buthe	Butha-Buthe	Malelefiloane Tsime Qholaqhoe Ha Molapo Manamela Qalo Muela Khukhune Ha Selomo Seboche
2. Leribe	Hlotse Maputsoe	Ha Lejone Pitseng Peka Kolonyama
3. Berea	Teya-Teyaneng	Mamathe Mapoteng Makhoroana Sefikeng Khotsi's Ha Rakoto Ha Koali
4. Maseru	Maseru Semonkong	Roma Nazareth Moriya Matsieng Mants'ebo Ramabanta
5. Mafeteng	Mafeteng	Van Rooyen's Ts'akholo Kolo Ts'ita's Nek Ramatseliso Motsekuoa Ha Makhakhe Matelile ha Seeiso Mount Tabor Thabana Morena Ha Khobotle Thaba Ts'oeu
6. Mohale's Hoek	Mohale's hoek	Phamong Holy Cross Masemousu

		Mpharane
7. Quthing	Moyeni	A' skop Mount Moorosi Mphaki
8. Qhacha's Nek	Qhacha's Nek	Sehlabathebe Ha Ramatseliso Ha Sekake White hill Ha Mpiti
9. Mokhotlong	Mokhotlong	Tlokoeng Mapholaneng Janteu Linakaneng Tlhanyaku phahameng
10.Thaba-Tseka	Thaba-Tseka	Mantsonyane Sehonghong Mashai katse