



# Prices Stats Brief

No: 2017/1  
May 2017



## STATISTICS BOTSWANA

Statistics Botswana, Private Bag 0024 Gaborone Botswana

**Tel:** (+267) 367 1300. **Fax:** (+267) 395 2201.

**Email:** [info@statsbots.org.bw](mailto:info@statsbots.org.bw)

**Website:** [www.statsbots.org.bw](http://www.statsbots.org.bw)

---

# Contents

---

## COMMENTARY

Preface

- 1.0** Introduction
- 2.0** Consumer Price Indices
- 3.0** Core Inflation
- 4.0** Comparison of Botswana and SACU Member States Headline Inflation
- 5.0** Purchasing Power of the Pula

## TABLES

- 1** Percentage change between National Consumer Price Indices for 2015 & 2016
- 2** Cost-of-living Index by Tradability
- 3** Cost-of-living Index and Inflation rates by strata
- 4** Comparison of Botswana and SACU Member States Headline Inflation
- 5** Purchasing Power of the Pula (2016)
- 6** National Consumer Price Group and Section Indices
- 7.** Average Annual Inflation for 2007 – 2016

## CHARTS

- 1** Inflation Rates for CPI major components (groups) for 2016
- 2** Core Inflation and Headline Inflation rates for 2016

Glossary

---

## PREFACE

---

This Stats Brief presents a brief summary of Botswana Consumer Price Indices (CPI) and Inflation rates for 2016. Price Statistics information is useful for formulation of socio-economic and monetary policies, quantifying the purchasing power of the Pula in relation to goods and services over time in Botswana. It further compares Botswana's Consumer Price Statistics with that of her trading partners, such as the Southern African Customs Union (SACU).

In order to produce statistics that reflect the current situation in the economy, Statistics Botswana has rebased the Consumer Price Index from September 2006 to September 2016. The CPI rebasing covers a number of issues which includes the revised basket and weights, area coverage as well as the methodology. Area coverage was largely extended to areas in the western side of the country i.e. Shakawe, Gumare, Charleshill and Hukuntsi. Other areas were removed due to proximity to other areas where prices were already collected.

It is envisaged that our stakeholders would provide regular feedback to enable us to improve on the quality of, not only Stats Brief, but all our publications



---

**A. Majelaritile**  
**Statistician General**  
May 2017

## 1.0 Introduction

The Consumer Price Index (CPI) is an index which measures price changes in goods and services with reference to a base period. The current Botswana CPI series has a base period of September 2016.

The CPI is used to compute the rate of inflation as experienced by 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 change in the CPI in the same month between two consecutive years (year-on-year change). The inflation rate is important for economic policy-making, specifically the monetary policy. It is also used for adjusting contracts and wages among other.

Consumer Price Index (CPI) is computed using the Modified Laspeyres method which is in line with regional and international recommendations. Table 1 shows the 12 groups that are comprised in the CPI basket and their corresponding indices for 2015 and 2016.

The annual average inflation rate of 2.8 percent recorded in 2016 was on the lower side of the inflation target range of 3 – 6 percent set out by the Bank of Botswana.

## 2.0 Consumer Price Index-2016

On average, the All Items Index which is conventionally referred to as Cost of Living Index or Consumer Price Index (CPI) was 99.4 in 2016, an increase of 2.8 percent on the 2015 average index of 96.6. This means that the cost of a fixed basket of goods which costed 96.6 units in 2015 costed 99.4 units in 2016. (Refer to table 1).

The average inflation rate was 2.8 percent in 2016 compared to 3.1 percent realized in 2015. This means that consumers paid on average 2.8 percent less for the goods and services in the Consumer Price Index (CPI) basket in 2016 compared to 2015 (3.1 percent). The 2.8 percent inflation rate recorded in 2016 was the lowest since 1970. Applying significant downward pressure on the inflation between 2015 and 2016 were the declining prices of major components in the CPI basket especially Transport group index (-2.7 percent) which accounted for 20.65 percent of CPI basket weights as indicated in Table 1.

### 2.1 Transport

All group indices experienced positive increase between 2015 and 2016 except Transport which recorded a decline of 2.7 percent. The deceleration was mainly attributable to a decline in the constituent section index of Operation of Personal Transport (1.3 percent). The decrease in the Operation of Personal Transport section index was due to the drop in retail pump prices of petrol by P0.15 and diesel by P0.45 per liter, which effected on the 1st February 2016, following a drop in global oil prices which had eased to an average of 50 US Dollar in 2016.

### 2.2 Housing, Water, Electricity, Gas & Other Fuels

The Housing, Water, Electricity, Gas & Other Fuels group index stood at 98.8 on average in 2016, an increase of 6.3 percent from the 2015 average of 93.0. This was due to overall increase in the constituent section indices except for water and electricity which remained constant for the rest of 2016.

### 2.3 Miscellaneous Goods & Services

The Miscellaneous Goods & Services index group went up on average from 91.5 to 98.4, registering an increase of 7.5 percent between 2015 and 2016. The increase was attributed to the general increase in the section indices, notably Insurance (9.5 percent) in April 2016.

## 2.4 Food & Non-Alcoholic Beverages

The Food group Index registered an increase of 2.7 percent, from an average of 96.8 in 2015 to 99.4 in 2016. Given the fact that the weight of Food & Non-Alcoholic Beverages is 16.51 in the CPI basket and the frequency at which a consumer purchases food items, high food prices can have a large impact on consumer confidence particularly, those individuals in the bottom income level, for whom food, as a share of total expenditures, is much larger.

## 2.5 Clothing and Footwear

The Clothing and Footwear Group Index registered an increase of 6.5 percent, from an average of 93.1 in 2015 to 99.1 in 2016. . The rise was attributed to a general increase in the section indices.

## 2.6 Other Group Indices

Other section groups recorded on average less than 5 percent inflation rate in 2016. Restaurants & Hotels Group Index stood at 4.0 percent whereas Alcoholic Beverages, Tobacco & Narcotics Group Index recorded 2.5 percent in 2016 The Education group index increased by 3.7 percent. Health and Furnishing, Household Equipment & Routine Maintenance group indices both recorded 3.0 percent. The Recreation & Culture increased by 3.0 percent while Communications group index rose by 0.2 percent

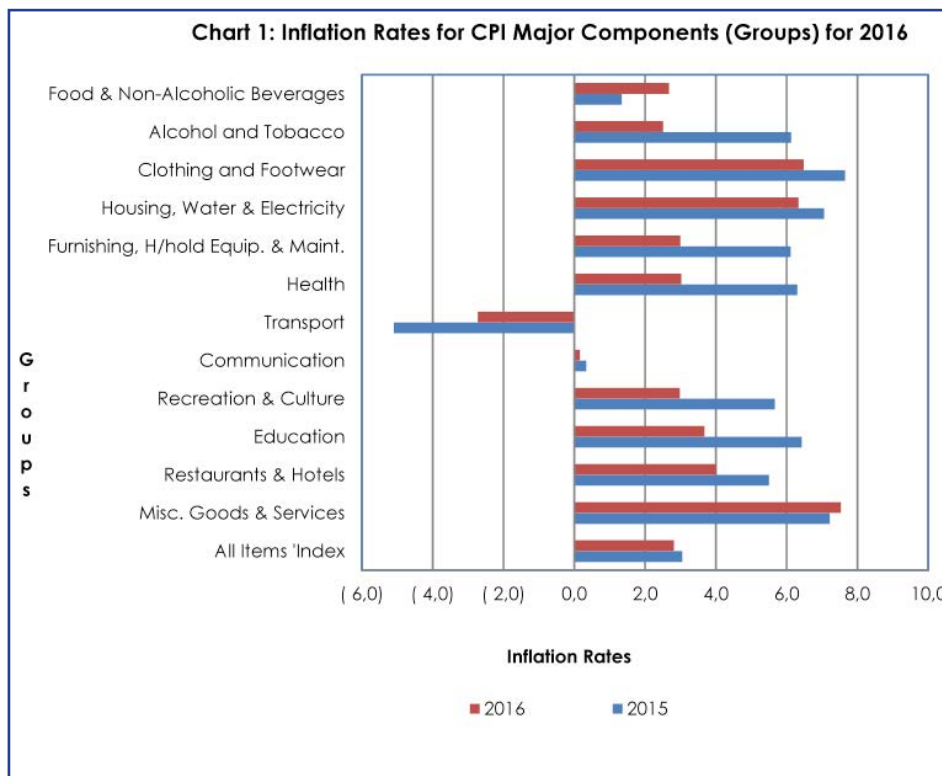


Chart 1 above gives a comparison of average inflation rates for the group indices. Inflation rates rose in all of the twelve major components (groups) in the year 2016 except Transport group index which recorded a negative rate of 2.7 percent.

## 2.7 Cost of Living Index by Tradability

Table 2 above shows All Items Index by Tradability. There are two types of tradability indices calculated on monthly basis namely; All Tradable and Non-Tradable Index. All Tradable Index is further categorized into two groups - Domestic Tradable Index and Imported Tradable Index. These indices and their corresponding weights are also shown in Table 2.

The table shows that it was expensive to buy Goods classified as Non-tradable as reflected by its average annual inflation rate of 5.8 percent compared to those classified as Domestic Tradable and Imported tradable with the rates of 2,8 and 0,8 percent respectively.

Domestic Tradable Index stood at 99.5 on average, while Imported Tradable and Non-Tradable Indices registered an average of 99.7 and 98.8 respectively. The Non-Tradable inflation rate was high throughout 2016 registering an average of 5.8 percent. The Imported Tradable inflation rate was stable at 0.8 percent during the year 2016.

### 2.8 Cost of living Index and Inflation Rates by Strata

CPI is also compiled by strata, meaning, CPI is recorded according to Cities/towns, Urban villages and Rural villages. Table 3 shows that in 2016 products were generally costly in rural villages compared to cities/towns. In rural villages consumers needed 100.8 units in December 2016 to buy the same basket which would cost 100.4 units in Cities/towns. This implies that it was expensive to buy goods in rural compared to cities/towns as reflected by average inflation rate in 2016.

### 3.0 Core Inflation

The Core Inflation is a measure of inflation that seeks to capture the underlying inflation trend due to underlying demand and supply conditions. Statistics Botswana has adopted two approaches to measure core inflation namely; the 16 percent trimmed mean core inflation and core inflation by exclusion. The trimmed mean method 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. The measure of core inflation by exclusion attempts to remove the volatility inherent in prices that are only adjusted periodically and not always in response to currently prevailing market forces.

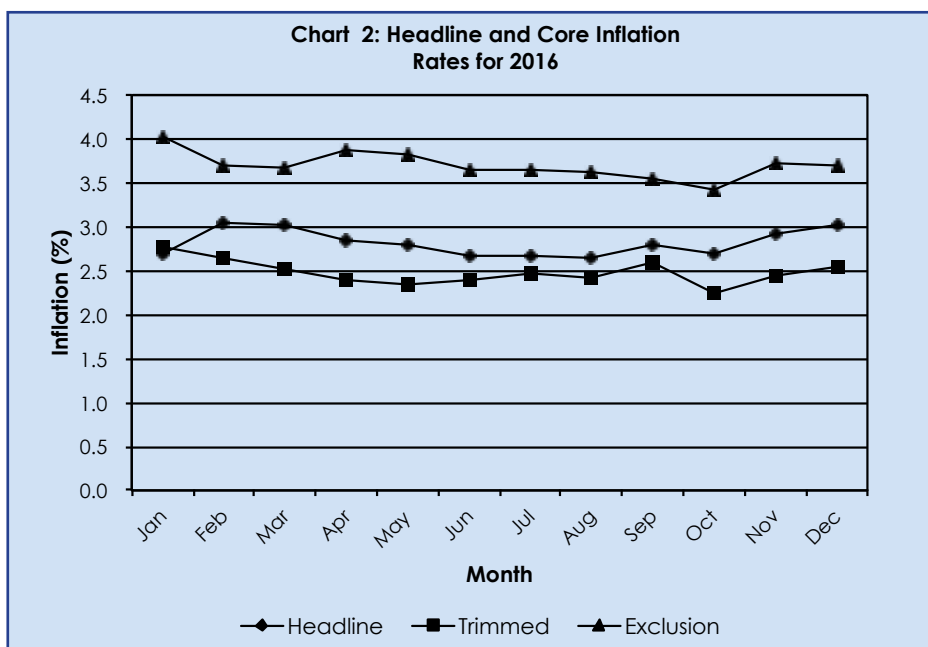


Chart 2 above gives a comparison of headline and core inflation rates. The graph shows that for the whole year headline inflation was lower than the Core inflation by Exclusion. The exclusion inflation rate was higher than both headline and trimmed inflations. Both headline inflation and trimmed mean inflation was showing a similar fluctuation pattern even though the trimmed one was slightly lower.

#### 4.0 Comparison of Botswana and Southern African Customs Union (SACU) Headline Inflation

Comparatively, Botswana's annual average inflation rate of 2.8 percent in 2016 was the lowest among the Southern African Customs Union (SACU) member states. The highest annual average inflation rate was recorded in Swaziland with a rate of 7.8 percent whereas South Africa, Lesotho and Namibia recorded annual average rates of 6.3, 6.6 and 6.7 percent respectively (See table 4). This is feasible, considering the fact that Botswana's rate was cushioned by stable fuel pump prices of petrol and diesel which was reduced in February 2016 and was kept at that prices for the whole year. In addition, there was a sustained strength of the Botswana Pula relative to its counterparts for most of the year under review.

#### 5.0 Purchasing Power of the Pula

Since the Consumer Price Index measures the change over time in the cost of a fixed basket of commodities and services, it essentially means that if the prices of the basket commodities continue to go up, the initial amount of Pula currency that were used to purchase the basket of commodities progressively buys less and less of the commodity items. Table 5 shows the trend of the purchasing power of the pula from 2000 to 2016. Figures above the diagonal show the depreciation of the pula over time, on the other hand, figures below the diagonal convey the same idea as those above but rather in reverse order. These figures show how much a fixed quantity of goods (Pula's worth of goods at a reference point in time) would cost as time progresses. For example, P1.00 in 2000 would be equivalent to P0.32 in 2016 and goods that would have been bought at P1.00 in 2000 would cost P3.10 in 2016. Refer to table 5).

**TABLE 1: ANNUAL PERCENTAGE CHANGE OF CONSUMER PRICE INDICES BETWEEN 2015 AND 2016, BY MAJOR COMPONENT, FOR BOTSWANA**

Group	Weight	2015	2016	Annual Average change 2015	Annual Average change 2016
				Percent	Percent
Food & Non-Alcoholic Beverages	16.51	96.8	99.4	1.3	2.7
Alcoholic Beverages, Tobacco & Narcotics	7.83	97.3	99.8	6.1	2.5
Clothing & Footwear	6.27	93.1	99.1	7.6	6.5
Housing	14.90	93.0	98.8	7.1	6.3
Furnishing, Household Equipment & Routine Maintenance	6.39	96.5	99.4	6.1	3.0
Health	3.62	96.4	99.3	6.3	3.0
Transport	20.65	102.6	99.8	-5.1	-2.7
Communications	4.27	99.8	100.0	0.3	0.2
Recreation & Culture	2.92	96.9	99.7	5.7	2.9
Education	3.34	96.4	100.0	6.4	3.7
Restaurants & Hotels	2.76	95.5	99.3	5.5	4.0
Miscellaneous Goods & Services	10.55	91.5	98.4	7.2	7.5
All Item Index	100.0	96.6	99.4	3.1	2.8

**TABLE 2 : COST-OF-LIVING INDEX-BY TRADABILITY (September 2016 = 100.0)**

		All Item Index	Inflation	Non-Tradable Index	Inflation	Domestic Tradable Index	Inflation	Imported Tradable Index	Inflation	All Tradable Index	Inflation
<b>Weights</b>		100.00	%	35.83	%	20.39	%	43.77	%	64.17	%
<b>2016</b>	<b>Jan</b>	97.9	<b>2.7</b>	96.3	<b>7.3</b>	98.0	<b>2.6</b>	99.1	<b>-0.3</b>	98.6	<b>0.8</b>
	<b>Feb</b>	97.9	<b>3.0</b>	96.4	<b>7.0</b>	98.4	<b>2.5</b>	98.8	<b>0.7</b>	98.6	<b>1.4</b>
	<b>Mar</b>	98.2	<b>3.0</b>	96.9	<b>7.3</b>	98.6	<b>2.1</b>	99.0	<b>0.8</b>	98.8	<b>1.3</b>
	<b>Apr</b>	99.1	<b>2.8</b>	98.7	<b>6.1</b>	99.1	<b>2.3</b>	99.4	<b>0.9</b>	99.3	<b>1.4</b>
	<b>May</b>	99.2	<b>2.8</b>	98.9	<b>6.0</b>	99.4	<b>2.5</b>	99.4	<b>0.8</b>	99.4	<b>1.4</b>
	<b>Jun</b>	99.4	<b>2.7</b>	99.4	<b>5.4</b>	99.3	<b>2.5</b>	99.6	<b>0.9</b>	99.5	<b>1.5</b>
	<b>Jul</b>	99.6	<b>2.7</b>	99.4	<b>5.4</b>	99.5	<b>2.8</b>	99.7	<b>0.7</b>	99.6	<b>1.5</b>
	<b>Aug</b>	99.7	<b>2.6</b>	99.5	<b>5.3</b>	99.9	<b>3.0</b>	99.9	<b>0.6</b>	99.9	<b>1.5</b>
	<b>Sep</b>	100.0	<b>2.8</b>	100.0	<b>4.9</b>	100.0	<b>3.5</b>	100.0	<b>0.9</b>	100.0	<b>1.9</b>
	<b>Oct</b>	100.2	<b>2.7</b>	100.1	<b>4.9</b>	100.3	<b>3.1</b>	100.2	<b>0.9</b>	100.2	<b>1.9</b>
	<b>Nov</b>	100.4	<b>2.9</b>	100.1	<b>4.9</b>	100.7	<b>3.4</b>	100.5	<b>1.2</b>	100.6	<b>2.1</b>
	<b>Dec</b>	100.5	<b>3.0</b>	100.2	<b>4.3</b>	100.9	<b>3.6</b>	100.6	<b>1.7</b>	100.7	<b>2.5</b>
<b>Annual average</b>		<b>99.4</b>	<b>2.8</b>	<b>98.8</b>	<b>5.8</b>	<b>99.5</b>	<b>2.8</b>	<b>99.7</b>	<b>0.8</b>	<b>99.6</b>	<b>1.6</b>

**TABLE 3 : COST - OF - LIVING INDEX AND INFLATION RATES BY STRATA**

		Cities & Towns	Urban Village Index	Rural Village Index	Annual Inflation		
					Cities & Towns	Urban Village	Rural Village
<b>Weights</b>		0.42	0.34	0.24	%	%	%
<b>2016</b>	<b>Jan</b>	97.9	98.1	97.7	2.7	2.6	2.8
	<b>Feb</b>	97.7	98.2	97.9	2.9	3.2	3.1
	<b>Mar</b>	98.1	98.6	98.0	3.1	3.2	2.7
	<b>Apr</b>	99.0	99.4	98.7	2.6	3.2	2.7
	<b>May</b>	99.1	99.5	98.9	2.7	3.1	2.5
	<b>Jun</b>	99.4	99.7	99.1	2.5	2.8	2.6
	<b>Jul</b>	99.5	99.7	99.6	2.5	2.7	3.0
	<b>Aug</b>	99.6	99.9	99.8	2.6	2.6	2.9
	<b>Sep</b>	100.0	100.0	100.0	2.8	2.7	2.9
	<b>Oct</b>	100.2	100.2	100.3	2.5	2.7	3.1
	<b>Nov</b>	100.3	100.4	100.7	2.7	2.9	3.5
	<b>Dec</b>	100.5	100.4	100.8	2.8	3.0	3.5
<b>Annual Average</b>		<b>99.3</b>	<b>99.5</b>	<b>99.3</b>	<b>2.7</b>	<b>2.9</b>	<b>2.9</b>



**TABLE 4: COMAPRISON OF BOTSWANA AND SACU HEADLINE INFLATION (2016)**

Headline Inflation						
Month	Botswana	Lesotho	South Africa	Namibia	Swaziland	
	Annual Inflation	Annual Inflation	Annual Inflation	Annual Inflation	Annual Inflation	
January	2.7	5.8	6.2	5.2	5.6	
February	3.0	6.6	7.0	6.1	7.3	
March	3.0	7.5	6.3	6.5	8.5	
April	2.8	7.9	6.2	6.6	7.8	
May	2.8	8.0	6.1	6.5	8.0	
June	2.7	7.5	6.3	6.5	7.5	
July	2.7	6.9	6.0	7.0	7.4	
August	2.6	6.6	5.9	6.8	8.0	
September	2.8	6.0	6.1	6.9	8.3	
October	2.7	5.7	6.4	7.3	8.2	
November	2.9	5.7	6.6	7.3	8.6	
December	3.0	5.3	6.8	7.3	8.7	
Average	2.8	6.6	6.3	6.7	7.8	

Source: SACU Website

**TABLE 5: PURCHASING POWER OF THE PULA**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
2000	1.00	0.94	0.87	0.80	0.74	0.68	0.61	0.57	0.51	0.47	0.44	0.41	0.38	0.36	0.34	0.33	0.32
2001	1.07	1.00	0.93	0.85	0.79	0.73	0.65	0.61	0.54	0.50	0.47	0.43	0.40	0.38	0.36	0.35	0.34
2002	1.15	1.08	1.00	0.92	0.86	0.79	0.71	0.66	0.59	0.54	0.51	0.47	0.43	0.41	0.39	0.38	0.37
2003	1.26	1.18	1.09	1.00	0.93	0.86	0.77	0.72	0.64	0.59	0.55	0.51	0.47	0.45	0.43	0.42	0.40
2004	1.34	1.26	1.17	1.07	1.00	0.92	0.83	0.77	0.68	0.63	0.59	0.55	0.51	0.48	0.46	0.45	0.43
2005	1.46	1.37	1.27	1.16	1.09	1.00	0.90	0.84	0.74	0.69	0.64	0.59	0.55	0.52	0.50	0.48	0.47
2006	1.63	1.53	1.42	1.30	1.21	1.12	1.00	0.93	0.83	0.77	0.72	0.66	0.61	0.58	0.56	0.54	0.52
2007	1.74	1.64	1.52	1.39	1.30	1.19	1.07	1.00	0.89	0.82	0.77	0.71	0.66	0.62	0.60	0.58	0.56
2008	1.96	1.84	1.71	1.56	1.46	1.35	1.21	1.13	1.00	0.93	0.86	0.80	0.74	0.70	0.67	0.65	0.63
2009	2.12	1.99	1.85	1.69	1.58	1.45	1.30	1.22	1.08	1.00	0.93	0.86	0.80	0.76	0.73	0.70	0.68
2010	2.27	2.13	1.97	1.81	1.69	1.56	1.39	1.30	1.16	1.07	1.00	0.92	0.86	0.81	0.78	0.75	0.73
2011	2.46	2.31	2.14	1.96	1.83	1.69	1.51	1.41	1.25	1.16	1.08	1.00	0.93	0.88	0.84	0.82	0.79
2012	2.65	2.49	2.30	2.11	1.97	1.81	1.63	1.52	1.35	1.25	1.17	1.08	1.00	0.94	0.90	0.88	0.85
2013	2.81	2.63	2.44	2.23	2.09	1.92	1.72	1.61	1.43	1.32	1.23	1.14	1.06	1.00	0.96	0.93	0.90
2014	2.93	2.75	2.54	2.33	2.18	2.01	1.80	1.68	1.49	1.38	1.29	1.19	1.11	1.04	1.00	0.97	0.94
2015	3.02	2.83	2.62	2.40	2.25	2.07	1.85	1.73	1.54	1.42	1.33	1.23	1.14	1.08	1.03	1.00	0.97
2016	3.10	2.91	2.70	2.47	2.31	2.12	1.91	1.78	1.58	1.46	1.37	1.26	1.17	1.11	1.06	1.03	1.00

**TABLE 6 : 2016 NATIONAL COST-OF-LIVING GROUP AND SECTION INDICES (SEPTEMBER 2016=100.0)**

Group Section	Weights	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Food &amp; Non-Alcoholic Beverages</b>	<b>16.51</b>	<b>97.6</b>	<b>98.2</b>	<b>98.5</b>	<b>99.3</b>	<b>99.4</b>	<b>99.1</b>	<b>99.3</b>	<b>99.7</b>	<b>100.0</b>	<b>100.4</b>	<b>100.9</b>	<b>101.0</b>
Bread & Cereals	5.27	94.7	94.8	95.2	96.0	96.4	97.4	98.6	99.4	100.0	100.2	100.7	100.7
Meat (Fresh, Chilled & Frozen)	0.36	99.2	99.4	99.4	100.1	100.2	99.8	99.8	99.9	100.0	100.0	100.6	100.9
Fish (Fresh, Chilled & Frozen)	0.92	97.0	97.5	97.7	98.1	98.6	99.3	99.5	99.8	100.0	100.2	100.6	100.8
Milk, Cheese & Milk Products	2.66	99.4	99.4	99.5	99.5	99.6	99.6	99.8	99.8	100.0	100.3	99.7	99.8
Oils & Fats	0.17	99.4	99.5	99.5	99.7	99.8	99.8	100.0	100.0	100.0	100.9	101.1	101.1
Fruit	1.49	93.5	93.9	94.8	98.1	97.6	95.4	96.4	99.4	100.0	101.0	103.0	103.1
Vegetables	0.70	99.0	103.8	105.1	108.7	108.2	103.9	101.7	100.7	100.0	100.9	101.8	101.9
Sugar, Jam, Honey, Chocolate & Confectionery	0.86	95.1	95.4	95.9	96.2	96.4	96.2	96.3	97.9	100.0	100.7	101.4	101.6
Food not else where Classified	1.80	99.8	99.9	100.3	100.4	100.1	100.1	99.8	99.8	100.0	99.9	100.2	100.1
Coffee, Tea & Cocoa	1.29	97.9	98.6	98.0	98.1	98.3	97.6	99.1	99.6	100.0	100.4	100.5	100.6
Mineral Waters, Soft Drinks, Fruits & Veg. Juices	0.99	100.3	100.5	100.2	100.3	100.2	99.9	100.1	99.9	100.0	100.6	100.7	100.6
<b>Alcoholic Beverages, Tobacco &amp; Narcotics</b>	<b>7.83</b>	<b>98.6</b>	<b>98.7</b>	<b>98.8</b>	<b>99.3</b>	<b>99.4</b>	<b>99.6</b>	<b>99.9</b>	<b>100.0</b>	<b>100.0</b>	<b>100.7</b>	<b>101.2</b>	<b>101.3</b>
Alcoholic Beverages	6.19	99.0	99.1	99.1	99.4	99.5	99.6	99.9	100.0	100.0	100.8	101.4	101.4
Tobacco	1.65	96.3	96.7	96.8	98.6	98.8	99.5	99.7	99.9	100.0	100.3	100.7	100.7
<b>Clothing and Footwear</b>	<b>6.27</b>	<b>96.8</b>	<b>97.4</b>	<b>98.0</b>	<b>98.5</b>	<b>98.9</b>	<b>99.4</b>	<b>99.6</b>	<b>99.9</b>	<b>100.0</b>	<b>100.2</b>	<b>100.6</b>	<b>100.7</b>
Clothing	2.42	96.0	96.8	97.6	98.1	98.7	99.3	99.5	100.0	100.0	100.3	100.5	100.6
Other articles of Clothing	1.01	98.4	98.8	99.0	99.3	99.5	99.5	99.7	99.8	100.0	100.0	100.5	100.6
Cleaning, Repair & Hire	0.99	95.9	96.8	99.2	99.6	99.8	99.8	99.9	99.9	100.0	100.0	100.2	100.2
Footwear	1.85	97.0	97.6	97.8	98.7	98.7	99.4	99.6	99.7	100.0	100.2	101.0	101.2
<b>Housing, Water, Electr. Gas &amp; Other Fuels</b>	<b>14.90</b>	<b>97.1</b>	<b>96.9</b>	<b>98.2</b>	<b>98.2</b>	<b>98.2</b>	<b>99.0</b>	<b>99.0</b>	<b>99.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.1</b>	<b>100.2</b>
Rent paid by Tenants	6.25	93.4	93.4	96.1	96.1	96.1	97.9	97.9	97.9	100.0	100.0	100.0	100.0
Materials for Maintenance & Repair of dwellings	4.29	99.9	100.0	100.0	100.1	100.2	100.3	99.8	100.0	100.0	100.0	100.3	100.6
Water Supply & Misc. Services	1.50	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	2.86	100.7	100.1	100.1	100.2	99.9	100.0	100.0	100.0	100.0	100.0	100.1	100.1
<b>Furnishing, H/H Equipment &amp; Routine Maintenance</b>	<b>6.39</b>	<b>98.2</b>	<b>98.3</b>	<b>98.5</b>	<b>98.7</b>	<b>98.8</b>	<b>99.3</b>	<b>99.4</b>	<b>99.5</b>	<b>100.0</b>	<b>100.2</b>	<b>100.6</b>	<b>100.8</b>
Furniture & Furnishing	1.65	97.9	98.5	98.8	98.8	99.1	99.2	99.3	99.7	100.0	99.9	100.8	101.0
Carpets & Other Floor Coverings	0.24	97.2	98.5	98.8	98.9	99.1	99.2	99.4	99.6	100.0	100.7	101.1	101.1
Household Textiles	0.41	97.3	97.7	98.0	98.3	98.6	98.8	99.2	99.6	100.0	100.5	101.0	101.1
Household Appliances	0.85	98.6	99.1	99.2	99.5	99.5	99.8	99.8	99.9	100.0	100.6	101.2	101.4
Glassware, Tableware & Household Utensils	0.40	99.1	99.7	99.8	99.9	100.0	99.7	99.5	99.8	100.0	100.1	100.5	100.6
Small Tools, Miscellaneous Accessories	0.06	97.7	97.8	99.2	99.5	99.6	99.7	99.7	100.0	100.0	99.9	100.2	100.3
Goods & Services for H/hold Maintenance	2.78	98.3	97.9	98.2	98.3	98.3	99.2	99.3	99.3	100.0	100.1	100.3	100.6

TABLE 6 CONT : 2016 NATIONAL COST-OF-LIVING GROUP AND SECTION INDICES (SEPTEMBER 2016=100.0)

Group Section	Weights	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Health</b>	<b>3.62</b>	<b>97.6</b>	<b>97.7</b>	<b>97.8</b>	<b>98.0</b>	<b>99.9</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.2</b>	<b>100.3</b>
Medical Products, App. & Equip.	0.81	98.7	99.5	99.6	99.7	99.7	99.8	99.9	99.9	100.0	100.2	101.0	101.3
Out-patient Services	0.70	99.1	98.9	99.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Hospital Services	2.10	96.7	96.7	96.7	96.7	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Transport</b>	<b>20.65</b>	<b>100.5</b>	<b>99.1</b>	<b>99.2</b>	<b>99.5</b>	<b>99.5</b>	<b>99.8</b>	<b>99.9</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.1</b>	<b>100.2</b>
Purchase of Vehicles	5.29	100.1	97.8	98.3	98.4	98.5	99.6	99.8	100.0	100.0	100.1	100.2	100.2
Operation of Personal Transport	11.13	100.9	99.6	99.6	99.9	99.9	99.9	100.0	100.0	100.0	100.0	100.1	100.2
Transport Services	4.22	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Communication</b>	<b>4.27</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Postal Services	0.15	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Telephone & Telefax Equipment	0.71	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Telephone & Telefax Services	3.41	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Recreation &amp; Culture</b>	<b>2.92</b>	<b>98.9</b>	<b>99.5</b>	<b>99.6</b>	<b>99.6</b>	<b>99.7</b>	<b>99.6</b>	<b>99.7</b>	<b>99.8</b>	<b>100.0</b>	<b>100.2</b>	<b>100.2</b>	<b>100.3</b>
Audio Visual, Photographic Info. Proce. Equip.	1.96	99.1	99.3	99.4	99.5	99.5	99.5	99.5	99.7	100.0	100.2	100.3	100.3
Other Recreational Items & Equip.	0.46	95.5	99.6	99.4	99.5	99.6	99.6	99.6	99.7	100.0	100.0	100.2	100.4
Recreational & Cultural Services	0.37	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Newspapers, Books & Stationary	0.13	97.6	98.2	98.7	98.9	99.0	99.1	99.2	99.5	100.0	100.1	100.1	100.3
<b>Education</b>	<b>3.34</b>	<b>99.9</b>	<b>99.9</b>	<b>99.9</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Pre-Primary & Primary Education	0.80	99.8	99.8	99.8	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Secondary & Tertiary Education	2.54	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
<b>Restaurants &amp; Hotels</b>	<b>2.76</b>	<b>97.9</b>	<b>98.2</b>	<b>98.4</b>	<b>98.7</b>	<b>98.9</b>	<b>99.2</b>	<b>99.3</b>	<b>99.6</b>	<b>100.0</b>	<b>100.2</b>	<b>100.5</b>	<b>100.6</b>
Restaurants, Cafes and the Like	2.31	97.9	98.2	98.4	98.7	98.9	99.2	99.3	99.6	100.0	100.2	100.5	100.7
Accommodation Services	0.45	97.5	97.7	97.9	98.3	98.7	98.8	99.0	99.2	100.0	100.0	100.5	100.5
<b>Miscellaneous Goods &amp; Services</b>	<b>10.55</b>	<b>93.6</b>	<b>93.3</b>	<b>93.5</b>	<b>99.6</b>	<b>99.6</b>	<b>99.9</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.4</b>	<b>100.5</b>	<b>100.5</b>
Personal Care	1.71	98.6	99.1	99.2	99.3	99.4	99.5	99.7	99.8	100.0	100.3	100.7	100.8
Personal Effects N.E.C.	1.24	98.5	98.8	98.8	98.9	98.9	99.1	99.7	99.9	100.0	100.0	100.0	100.3
Social Protection	0.07	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Insurance	4.73	91.6	90.9	90.9	99.6	99.6	100.0	100.0	100.0	100.0	100.7	100.7	100.7
Financial Services	0.79	98.1	98.4	98.4	98.7	99.4	99.6	99.7	99.9	100.0	100.2	100.4	100.6
Taxes Licences, Fees	2.01	97.1	97.8	98.9	99.5	99.5	99.8	100.0	100.0	100.0	100.0	100.1	100.1
<b>All-Items Index</b>	<b>100.0</b>	<b>97.9</b>	<b>97.9</b>	<b>98.2</b>	<b>99.1</b>	<b>99.2</b>	<b>99.4</b>	<b>99.6</b>	<b>99.7</b>	<b>100.0</b>	<b>100.2</b>	<b>100.4</b>	<b>100.5</b>

**TABLE 7: AVERAGE ANNUAL INFLATION ( SEPTEMBER 2016=100)**

Group	Weights	2009	2010	2011	2012	2013	2014	2015	2016
1 Food & Non-Alcoholic Beverages	16.51	14.7	3.6	6.9	8.0	5.4	3.0	1.3	2.7
2 Alcoholic Beverages, Tobacco & Narcotics	7.83	35.2	7.1	8.4	7.6	10.3	9.0	6.1	2.5
3 Clothing and Footwear	6.27	8.4	8.0	8.9	7.5	6.3	6.0	7.6	6.5
4 Housing, Water, Electr. Gas & Other Fuels	14.90	4.8	6.4	8.4	7.7	4.3	3.9	7.1	6.3
5 Furnishing, H/H Equipment & Routine Maintenance	6.39	11.9	9.4	9.0	7.3	4.9	5.0	6.1	3.0
6 Health	3.62	5.5	2.7	4.5	5.9	5.5	8.3	6.3	3.0
7 Transport	20.65	(8.4)	12.1	13.2	10.8	7.3	1.2	(5.1)	(2.7)
8 Communication	4.27	(0.3)	1.2	(3.0)	(1.4)	0.3	0.3	0.3	0.2
9 Recreation & Culture	2.92	5.0	6.0	8.3	5.8	4.5	4.2	5.7	3.0
Education	3.34	3.9	5.8	10.6	6.4	4.7	7.4	6.4	3.7
Restaurants & Hotels	2.76	18.8	9.0	9.3	8.4	7.9	7.6	5.5	4.0
Miscellaneous Goods & Services	10.55	3.8	7.0	5.3	2.0	1.2	5.2	7.2	7.5
<b>All-Items Index</b>	<b>100.0</b>	<b>8.2</b>	<b>6.9</b>	<b>8.5</b>	<b>7.5</b>	<b>5.9</b>	<b>4.4</b>	<b>3.1</b>	<b>2.8</b>

## 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 prices movement of goods and services in a particular country.

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

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

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

**All-Tradable** refers to the total of Domestic and Imported tradable.

**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.

The **base period** is usually understood to mean the period with which all the other periods are compared.

**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.