# ANNUAL CONSUMER INDEX 2021 IN REVIEW

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# Preface

This **Stats Brief** provides a concise overview of Botswana's Consumer Price Indices (CPI) and inflation rates for the year 2021. Data on price statistics serves as a crucial foundation for the development of socio-economic and monetary policies.

To accurately reflect the prevailing economic situations, Statistics Botswana generates the Consumer Price Index on a monthly basis, aligning with the expectations of key stakeholders. The CPI serves as the basis for calculating the national inflation rate.

In 2021, the annual average inflation rate reached 6.7 percent, surpassing the inflation target range of 3–6 percent set by the Bank of Botswana. Throughout the year, the COVID-19 pandemic remained a significant factor influencing the prices of goods and services in Botswana. Inflationary pressures emerged from a combination of widespread global supply chain disruptions and restrained consumer demand following the reopening of the economy. This reopening was facilitated by the widespread availability of COVID-19 vaccines in Botswana and the gradual easing of public health restrictions.

We anticipate active engagement from our stakeholders to assistance Statistics Botswana in enhancing the quality not only of this **Stats Brief** but of all its publications.

Ketso Makhumalo Acting Statistician General July 2024

#### INTRODUCTION

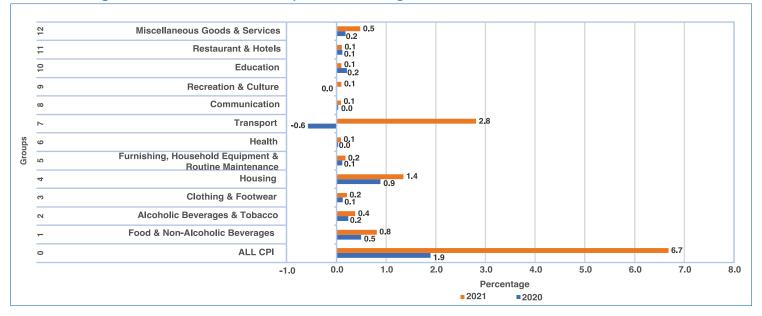
The Consumer Price Index (CPI) serves as an indicator of price movements in goods and services relative to a designated reference period. In Botswana, the current CPI series is based on a reference period of December 2018 for both the index and price, with a weight reference period of 2015/2016.

Utilised to gauge the inflation experienced by consumers in Botswana, the CPI is used to derive the national inflation rates. These rates measure the variation in the CPI between the current month and the previous month (month-on-month change), as well as between the same month in consecutive years (year-onyear change). The inflation rate holds significant importance in economic policy formulation, particularly in monetary policy decisions and GDP deflation. Additionally, it helps in the adjustment of contracts, wages, salaries, and other financial instruments.

The computation of the Consumer Price Index (CPI) in Botswana follows the Modified Laspeyres method, which offers advantages such as chaining. This method enables the continuous introduction of new items and substitution of discontinued products, enhancing the index's reliability. Moreover, adherence to this method aligns with regional and international recommendations.

#### 2.0 CONTRIBUTIONS OF GROUPS TO THE AVERAGE INFLATION RATE IN 2021

In 2021, the average annual inflation rate rose to 6.7 percent, a significant increase from the 1.9 percent recorded in 2020. Key contributors to this rise included Transport (2.8 percentage points), Housing, Water, Electricity, Gas & Other Fuels (1.4 percentage points), Food & Non-Alcoholic Beverages (0.8 percentage points), and Miscellaneous Goods & Services (0.5 of a percentage point). The significant growth in the inflation rate was primarily driven by a substantial increase in Transport, which moved from -0.6 percent in 2020 to 2.8 percent in 2021, recording a rise of 3.4 percentage point. These major contributing factors to the average annual inflation rate collectively account for 63.45 percent of the overall CPI basket. Specifically, Transport constitutes 23.43 percent, Housing, Water, Electricity, Gas & Other Fuels (17.45 percent), Food & Non-Alcoholic Beverages (13.55 percent) and Miscellaneous Goods & Services (9.01 percent). Refer to **Table 1** and **Figure 1**.

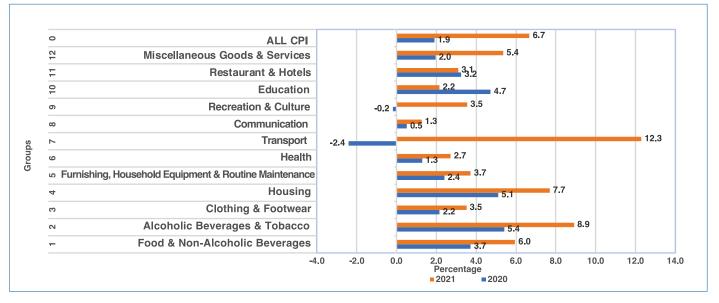


#### Figure 1: Contribution of Groups to the Average Annual Inflation Rate 2020 and 2021

### 3.0 COMPARISON OF THE AVERAGE ANNUAL INFLATION RATE BETWEEN 2020 AND 2021

The Average annual inflation rate in 2021 stood at 6.7 percent, an increase 4.8 percentage points from the 2020 average inflation rate of 1.9 percent.

Across all group inflation ratess, there was a significant increase in 2021 compared to 2020, Notably Transport which moved from -2.4 to 12.3 percent, Recreation and culture from -0.2 to 3.5 percent Miscellaneous Goods & Services from 2.0 to 5.4 percent, Alcoholic Beverages & Tobacco from 5.4 to 8.9 percent, Housing from 5.1 to 7.7 percent and Food and Non-Alcoholic Beverages from 3.7 to 6.0 percent between 2020 and 2021. **Refer to Table 2** and **Figure 2**.



#### Figure 2: Comparison of Average Annual Inflation Rates for CPI Major Components (Groups) for 2020 and 2021

# **3.1 TRANSPORT**

The Transport Group Index experienced a significant rise of 12.3 percent in 2021, in contrast to a decline of 2.4 percent observed in 2020. This increase in the group index was primarily attributed to the rise in the section index of Operation of Personal Transport, which accelerated from -7.2 percent in 2020 to 12.8 percent in 2021. The rise in this section index was largely driven by several factors, including the retail pump price hike for petrol and diesel, implemented on December 20, 2021. Specifically, petrol (95) which saw an increase of P1.65, while Diesel (50PPM) increased by P1.75. Additional increases were observed on October 8, 2021, with petrol rising by P0.71 and diesel by P0.55, followed by further hikes on July 10, 2021, with petrol increased by P0.63 and diesel by P0.53. Moreover, a fuel levy increase of P1.00 for both petrol and diesel, effective from April 1, 2021, also contributed to the rise. The first fuel price hike of 2021 occurred on March 1, 2021, with petrol (95) increased by P0.57 and diesel by P0.52. Furthermore, the Purchase of Vehicles section showed a significant increase in the inflation rate, moving from 2.0 percent in 2020 to 16.5 percent in 2021. Additionally, the inflation rate of the Transport Services section rose from 4.2 percent in 2020 to 7.9 percent in 2021. This growth was attributed to the secondary effects of the increase in minibus and taxi fares implemented in September 2021. **Refer to Table 3** and **Figure 3**.

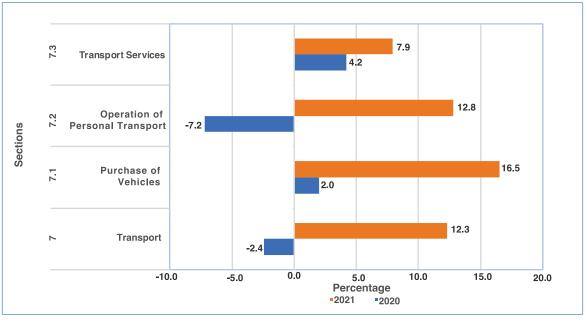
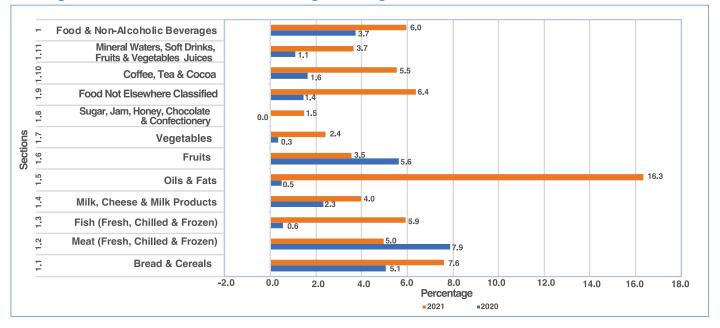


Figure 3: Transport Average Annual Inflation Rate for 2020 and 2021

### 3.2 FOOD & NON-ALCOHOLIC BEVERAGES

In 2021, the Food Inflation rate reached 6.0 percent, registering an increased from the 3.7 percent recorded in 2020. Driving this rise in the group were several key sections: Oils & Fats section experienced a substantial inflation rate of 16.3 percent, a significant rise from 0.5 percent in 2020; Fish (Fresh, Chilled & Frozen) saw its inflation rate rise to 5.9 percent in 2021 from 0.6 percent in 2020;Food Not Elsewhere Classified observed an increase of 5.0 percentage points, rising from 1.4 percent in 2020 to 6.4 percent in 2021; Coffee, Tea & Cocoa experienced an increase from 1.6 percent in 2020 to 5.5 percent in 2021; The Bread & Cereals section recorded an inflation rate of 7.6 percent in 2021, up from 5.1 percent in 2020. With the exception of Meat (Fresh, Chilled & Frozen) and Fruits, all sections registered an increase in 2021 compared to 2020. **Refer to Table 3** and **Figure 4**.

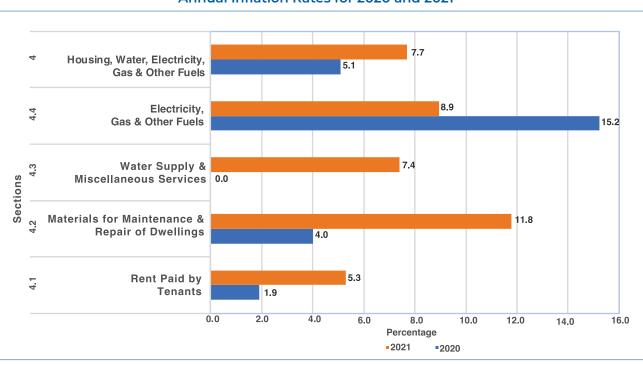


#### Figure 4: Food & Non-Alcoholic Beverages Average Annual Inflation Rate for 2020 and 2021

# **3.3 HOUSING, WATER, ELECTRICITY, GAS & OTHER FUELS**

The Housing, Water, Electricity, Gas & Other Fuels group inflation stood at 7.7 percent in 2021 from 5.1 percent registered in 2020. The main cause of growth was the rise of the constituent section Index of Materials for Maintenance & Repair of dwellings, which registered an inflation rate of 11.8 percent in 2021 as opposed to 4.0 percent recorded in 2020. Water Supply & Miscellaneous Services section recorded an increase of 7.4 percentage points from 0.0 percent recorded in 2020 to 7.4 percent in 2021, this was a result of the adjustment in the water tariffs in June 2021.

In addition, the section of Rent Paid by Tenants went up by 3.4 percentage points, to 5.3 percent in 2021 from 1.9 percent in 2020. Gas and other Electricity, Fuels section inflation rate declined from 15.2 percent in 2020 to 8.9 percent in 2021. (**Refer to Table 3** and **Figure 5**).



#### **Figure 5:** Housing, Water, Electricity, Gas & Other Fuels Average Annual Inflation Rates for 2020 and 2021

### **3.4 ALCOHOLIC BEVERAGES & TOBACCO**

The Alcoholic Beverages & Tobacco Group registered 8.9 percent in 2021, an increase of 3.5 percentage points on the 2020 rate of 5.4 percent. The Alcoholic Beverages section inflation rate registered 9.3 percent in 2021 while the previous year it was 5.6 percent. The Tobacco section recorded 7.3 percent in 2021 from 4.6 percent in 2020. **Refer to Table 3** and **Figure 6**.

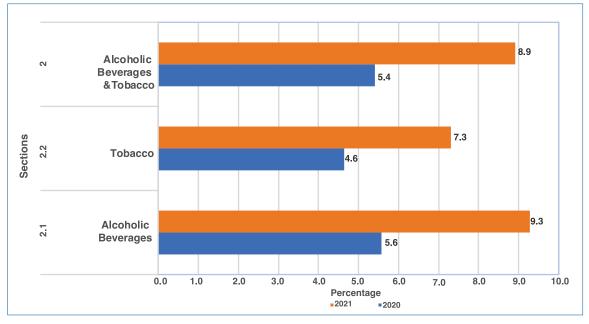
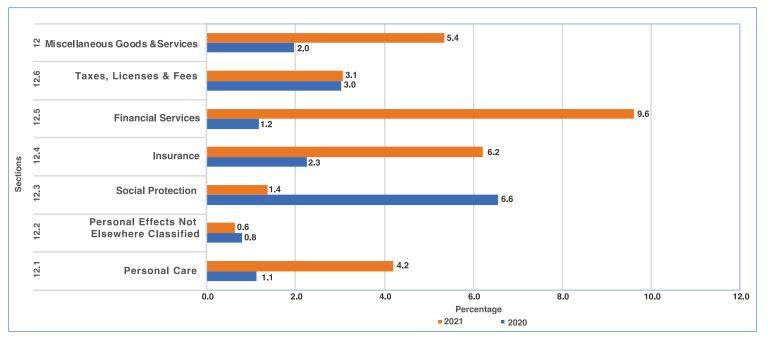


Figure 6: Alcoholic Beverages & Tobacco Average Annual Inflation Rates for 2020 and 2021

# 3.5 MISCELLANEOUS GOODS & SERVICES GROUP

The Miscellaneous Goods & Services Group inflation rate went up by 3.4 percentage points from 2.0 percent in 2020 to 5.4 percent in 2021.

Considering the sections in this group, Financial Services inflation rate registered an increase of 8.4 percentage points from 1.2 percent in 2020 to 9.6 percent in 2021, Insurance rose from 2.3 percent in 2020 to 6.2 percent in 2021. Similarly, Personal care increased from 1.1 percent in 2020 to 4.2 percent in 2021. The Social Protection section inflation rate recorded a drop of 5.2 percentage points from 6.6 percent in 2020 to 1.4 percent in 2021, while the Taxes, Licences, Fees section stood at 3.1 percent in 2021 compared to 3.0 percent registered in 2020. **Refer to Table 3** and **Figure 7** 

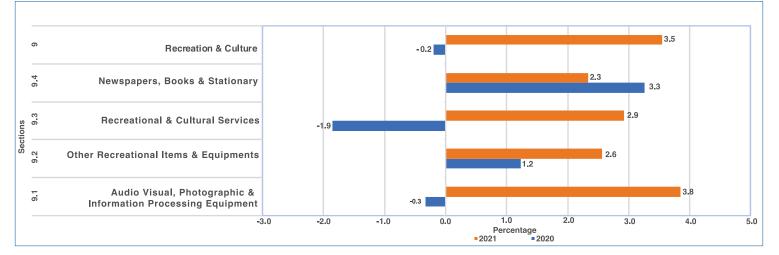


#### Figure 7: Miscellaneous Goods & Services Average Annual Inflation Rate for 2020 and 2021

# **3.6 RECREATION & CULTURE**

The Recreation & Culture Group Inflation rate was 3.5 percent in 2021, an increase of 3.7 percentage points on the 2020 rate of -0.2 percent. The increase was due to the increase in the constituent section indices. Notably: Recreation & Cultural Services Inflation rate, which registered 2.9 percent in 2021, an increase of 4.8 percentage points on the 2020 rate of -1.9 percent, Audio Visual, Photographic & Information Processing Equipment was 3.8 percent in 2021 from -0.3 percent in 2020, Other Recreational Items & Equipment's moved from 1.2 percent in 2020 to 2.6 percent in 2021, while Newspapers, Books & Stationary recorded 2.3 percent in 2021 from 3.3 percent in 2020. **Refer to Table 3** and **Figure 8**.

Figure 8: Recreation & Culture Average Annual Inflation Rates for 2020 and 2021



# **3.7 OTHER GROUPS**

All other groups Inflation rates had an upward movement in 2021. They also recorded inflation rates higher than in 2020 except for Education Group and Restaurants & Hotels which recorded a drop of 2.5 percentage points from 4.7 percent in 2020 to 2.2 percent in 2021 and 0.1 of a percentage point from 3.2 percent in 2020 to 3.1 percent in 2021 respectively.

The Health Group registered 1.3 percent in 2020 compared to 2.7 percent in 2021. The Furnishing, Household Equipment & Routine Maintenance Group inflation rate stood at 3.7 percent in 2021 as opposed to 2.4 percent in 2020. Clothing & Footwear Group inflation rate recorded 1.3 percentage points increase from 2.2 percent in 2020 to 3.5 percent in 2021, whereas Communications Group inflation rate grew by 0.8 of a percentage point from 0.5 percent in 2020 to 1.3 percent in 2021.

The main cause for this rise in most if not all the groups was the increase of Value added Tax (VAT) which was increased by 2 percentage points moving from 12 percent to 14 percent, this effected on 1<sup>st</sup> of April 2021.

### **3.8 ANNUAL INFLATION RATE BY STRATA**

Average annual prices rose at a higher pace in every strata in 2021 compared with a year earlier. Prices rose faster in Urban and Rural Villages both recording an increase of 4.9 percentage points, moving to 6.9 percent in 2021 from 2.0 percent in 2020 and 6.5 percent in 2021 from 1.6 percent in 2020 respectively. Cities/Towns recorded an average annual inflation rate of 6.5 percent in 2021 as opposed to 1.9 recorded in 2020, an increase of 4.6 percentage points.

#### **3.9 ANNUAL INFLATION RATE BY TRADEABILITY**

All-Tradeables average annual inflation rate was 8.0 percent in 2021, an increase of 7.2 percentage points on the 2020 average rate of 0.8 percent. The Imported Tradeables average annual inflation stood at 9.0 percent in 2021, a rise of 9.6 percentage points on the 2020 average rate of -0.6 percent. The upward movement of average inflation rate in 2021 for the items/products classified as the Imported Tradeables in the CPI basket was mainly due to the increase in the petroleum prices (Petrol (95) and Diesel (50PPM). The Non-Tradeables average annual inflation rate moved from 3.4 percent in 2020 to 5.0 percent in 2021, recording a growth of 1.6 percentage points. The Domestic Tradeables average annual inflation rate was 5.5 percent in 2021, a rise of 0.6 of a percentage point from 4.9 percent in 2020. **Refer to Table 5** and **8**.

Group	Group								
Code	Group Name	2020	2021						
0	ALL CPI	1.9	6.7						
1	Food & Non-Alcoholic Beverages	0.5	0.8						
2	Alcoholic Beverages & Tobacco	0.2	0.4						
3	Clothing & Footwear	0.1	0.2						
4	Housing	0.9	1.4						
5	Furnishing, Household Equipment & Routine Maintenance	0.1	0.2						
6	Health	0.0	0.1						
7	Transport	-0.6	2.8						
8	Communication	0.0	0.1						
9	Recreation & Culture	0.0	0.1						
10	Education	0.2	0.1						
11	Restaurant & Hotels	0.1	0.1						
12	Miscellaneous Goods & Services	0.2	0.5						

# Table 1: Contribution to Average Annual Inflation Ratefor 2020 and 2021

# Table 2: Annual percentage change of Consumer Price Indicesbetween 2020 and 2021 by Major Components for Botswana

Group			Ind	lex	Average Annual change (percent)			
Code	Group Name	Weights	2020	2021	2020	2021		
1	Food & Non-Alcoholic Beverages	13.55	105.6	111.9	3.7	6.0		
2	Alcoholic Beverages & Tobacco	4.34	108.0	117.6	5.4	8.9		
3	Clothing & Footwear	5.95	102.9	106.5	2.2	3.5		
4	Housing	17.45	105.9	114.1	5.1	7.7		
5	Furnishing, Household Equipment & Routine Maintenance	4.85	103.9	107.7	2.4	3.7		
6	Health	3.38	101.8	104.6	1.3	2.7		
7	Transport	23.43	98.4	110.3	-2.4	12.3		
8	Communication	6.94	100.7	101.9	0.5	1.3		
9	Recreation & Culture	2.82	100.0	103.5	-0.2	3.5		
10	Education	4.60	108.0	110.3	4.7	2.2		
11	Restaurant & Hotels	3.66	104.7	108.0	3.2	3.1		
12	Miscellaneous Goods & Services	9.01	106.0	111.7	2.0	5.4		
0	ALL CPI	100.00	103.3	110.2	1.9	6.7		

# Table 3: 2021 National Consumer Price Group and Section Inflation Rates (December 2018 = 100.0)

	Group Section	Weights	2020 Inflation	2021 Inflation
1	Food & Non-Alcoholic Beverages	13.55	3.7	6.0
1.1	Bread & Cereals	4.26	5.1	7.6
1.2	Meat (Fresh, Chilled & Frozen)	2.36	7.9	5.0
1.3	Fish (Fresh, Chilled & Frozen)	0.18	0.6	5.9
1.4	Milk, Cheese & Milk Products	0.98	2.3	4.0
1.5	Oils & Fats	0.92	0.5	16.3
1.6	Fruits	0.78	5.6	3.5
1.7	Vegetables	1.08	0.3	2.4
1.8	Sugar, Jam, Honey, Chocolate & Confectionery	1.11	-0.0	1.5
1.9	Food Not Elsewhere Classified	0.54	1.4	6.4
	Coffee, Tea & Cocoa	0.73	1.6	5.5
1.11	Mineral Waters, Soft Drinks, Fruits & Vegetables Juices	0.62	1.1	3.7
2	Alcoholic Beverages & Tobacco	4.34	5.4	8.9
2.1	Alcoholic Beverages	3.51	5.6	9.3
2.2	Торассо	0.82	4.6	7.3
3	Clothing & Footwear	5.95	2.2	3.5
3.1	Clothing	2.60	2.3	3.5
3.2	Other Articles of Clothing	0.72	2.0	2.8
3.3	Cleaning, Repair & Hire	0.61	3.6	5.7
3.4	Footwear	2.03	1.6	3.0
4	Housing, Water, Electricity, Gas & Other Fuels	17.45	5.1	7.7
4.1	Rent Paid by Tenants	7.78	1.9	5.3
4.2	Materials for Maintenance & Repair of Dwellings	3.83	4.0	11.8
				74
4.3	Water Supply & Miscellaneous Services	1.96	-	7.4
4.3 4.4	Water Supply & Miscellaneous Services Electricity, Gas & Other Fuels	1.96 3.89	- 15.2	8.9
			- 15.2	
			- 15.2 <b>2.4</b>	
4.4	Electricity, Gas & Other Fuels Furnishing, H/H Equipment &	3.89		8.9
4.4 5	Electricity, Gas & Other Fuels Furnishing, H/H Equipment & Routine Maintenance	3.89 <b>4.85</b>	2.4	8.9 <b>3.7</b>
4.4 5.1	Electricity, Gas & Other Fuels Furnishing, H/H Equipment & Routine Maintenance Furniture & Furnishing	3.89 4.85 1.35	<b>2.4</b> 2.7	8.9 <b>3.7</b> 3.5
4.4 5 5.1 5.2	Electricity, Gas & Other Fuels  Furnishing, H/H Equipment & Routine Maintenance  Furniture & Furnishing Carpets & Other Floor Coverings	3.89 4.85 1.35 0.27	<b>2.4</b> 2.7 2.8	8.9 3.7 3.5 4.9
4.4 <b>5</b> 5.1 5.2 5.3	Electricity, Gas & Other Fuels  Furnishing, H/H Equipment & Routine Maintenance  Furniture & Furnishing  Carpets & Other Floor Coverings Household Textiles	3.89 4.85 1.35 0.27 0.29	<b>2.4</b> 2.7 2.8 3.1	8.9 3.7 3.5 4.9 4.3
4.4 <b>5</b> 5.1 5.2 5.3 5.4	Electricity, Gas & Other Fuels  Furnishing, H/H Equipment & Routine Maintenance  Furniture & Furnishing  Carpets & Other Floor Coverings  Household Textiles Household Appliances	3.89 4.85 1.35 0.27 0.29 0.72	<b>2.4</b> 2.7 2.8 3.1 1.9	8.9 3.7 3.5 4.9 4.3 5.7

	Group Section	Weights	2020 Inflation	2021 Inflation
6	Health	3.38	1.3	2.7
6.1	Medical Products, Applications & Equipments	0.98	1.9	3.5
6.2	Out-Patient Services	0.93	1.7	3.3
6.3	Hospital Services	1.47	0.7	1.8
7	Transport	23.43	-2.4	12.3
7.1	Purchase of Vehicles	5.74	2.0	16.5
7.2	Operation of Personal Transport	12.56	-7.2	12.8
7.3	Transport Services	5.13	4.2	7.9
8	Communication	6.94	0.5	1.3
8.1	Postal Services	0.21	3.4	10.2
8.2	Telephone & Telefax Equipment	1.13	2.5	2.4
8.3	Telephone & Telefax Services	5.60	0.0	0.7
9	Recreation & Culture	2.82	-0.2	3.5
9.1	Audio Visual, Photographic & Information Processing Equipment	2.10	-0.3	3.8
9.2	Other Recreational Items & Equipments	0.30	1.2	2.6
9.3	Recreational & Cultural Services	0.31	-1.9	2.9
9.4	Newspapers, Books & Stationary	0.11	3.3	2.3
10	Education	4.60	4.7	2.2
10.1	Pre-Primary & Primary Education	1.89	4.8	2.7
10.2	Secondary & Tertiary Education	2.70	4.7	1.8
11	Restaurants & Hotels	3.66	3.2	3.1
11.1 11.2	Restaurants, Cafes & the Like Accommodation Services	3.02 0.64	3.7 0.9	4.8 -5.2
11.2	Accommodation Services	0.04	0.9	-0.2
12	Miscellaneous Goods & Services	9.01	2.0	5.4
12.1	Personal Care	2.33	1.1	4.2
12.2	Personal Effects Not Elsewhere Classified	0.22	0.8	0.6
12.3	Social Protection	0.13	6.6	1.4
12.4	Insurance	3.62	2.3	6.2
12.5	Financial Services	1.09	1.2	9.6
12.6	Taxes, Licences & Fees	1.61	3.0	3.1
	All-Items Index	100.0	1.9	6.7

8.

	2020	O Annual Infla	tion	20	21 Annual Infla	tion
	Cities & Towns	Urban Village	Rural Village	Cities & Towns	Urban Village	Rural Village
Months	%	%	%	%	%	%
Jan	2.4	2.3	1.8	2.0	2.6	2.1
Feb	2.3	2.3	1.9	2.1	2.7	2.3
Mar	2.3	2.3	2.0	2.9	3.5	3.1
Apr	2.7	2.6	2.3	5.5	5.9	5.2
Мау	2.5	2.3	2.2	6.1	6.5	5.7
June	1.0	1.1	0.4	8.2	8.3	7.9
July	0.9	1.1	0.6	8.8	9.0	8.8
Aug	1.0	1.1	0.7	8.7	8.9	8.8
Sep	1.7	1.9	1.6	8.4	8.6	8.0
Oct	2.2	2.4	2.0	8.7	9.0	8.6
Νον	2.2	2.4	2.0	8.5	8.8	8.5
Dec	2.1	2.4	2.0	8.6	8.8	8.7
Annual Average	1.9	2.0	1.6	6.5	6.9	6.5

#### Table 4: Average Annual Inflation Rate by Strata 2020 - 2021

### Table 5: Annual Inflation Rate by Tradeability 2020 - 2021

		2020 Annu	al Inflation			n		
	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	2.4	4.2	1.5	2.2	4.4	4.6	-0.7	0.7
Feb	2.3	4.4	1.4	2.2	4.4	4.8	-0.5	1.0
Mar	2.3	4.2	1.4	2.1	4.4	5.0	1.3	2.3
Apr	3.3	4.1	1.2	2.0	4.9	7.2	5.7	6.1
Мау	3.3	4.2	0.8	1.7	5.1	6.9	7.0	7.0
June	3.0	5.1	-2.7	-0.6	5.8	5.9	11.6	10.0
July	2.9	5.2	-2.7	-0.6	5.9	5.1	13.6	11.2
Aug	2.9	5.4	-2.5	-0.4	5.9	4.8	13.4	11.0
Sep	4.4	5.3	-2.1	-0.1	4.6	5.3	13.6	11.3
Oct	4.6	5.5	-1.3	0.5	4.6	5.4	14.7	12.0
Nov	4.6	5.5	-1.3	0.6	4.5	5.3	14.3	11.8
Dec	4.5	5.4	-1.3	0.5	4.7	5.3	14.2	11.7
Annual Average	3.4	4.9	-0.6	0.8	5.0	5.5	9.0	8.0

# Table 6: 2021 National Consumer Price Group and Section Indices (December 2018 = 100.0)

	le 6. 2021 National Consult						marce.	s (Dee			- 100.0	<i>'</i> )		
	Group Section	Weights	Jan	Feb	Mar	Apr	May	Jun	InC	Aug	Sep	Oct	Νον	Dec
1	Food & Non-Alcoholic Beverages	13.55	107.2	108.0	108.6	111.7	112.3	112.9	113.0	113.2	113.5	114.0	114.1	114.4
1.1	Bread & Cereals	4.26	111.1	112.7	113.5	116.5	116.7	116.8	116.8	116.6	116.9	117.0	116.4	116.2
1.2	Meat (Fresh, Chilled & Frozen)	2.36	111.9	112.8	113.2	115.9	116.4	116.5	115.8	116.2	116.4	116.9	117.9	119.4
1.3	Fish (Fresh, Chilled & Frozen)	0.18	101.6	102.7	103.3	108.3	108.8	110.0	111.7	112.4	112.3	112.7	112.4	112.6
1.4	Milk, Cheese & Milk Products	0.98	105.2	105.2	105.6	107.1	107.7	107.6	108.0	108.5	109.0	109.4	109.8	110.3
1.5	Oils & Fats	0.92	103.1	103.5	104.0	109.0	111.3	116.0	123.0	124.3	125.6	127.9	129.3	131.0
1.6	Fruits	0.78	108.2	109.2	110.8	113.4	113.6	113.7	111.5	112.1	112.2	112.2	112.1	112.2
1.7	Vegetables	1.08	102.2	102.0	102.1	108.6	109.0	109.7	106.0	106.3	105.3	106.2	106.0	105.7
1.8	Sugar, Jam, Honey, Chocolate & Confectionery	1.11	98.7	98.6	98.7	99.6	100.1	100.9	101.4	101.3	101.5	102.2	102.5	102.5
1.9	Food Not Elsewhere Classified	0.54	103.8	104.1	104.4	108.7	110.3	111.1	113.2	114.1	115.0	115.8	116.0	115.4
1.10	Coffee, Tea & Cocoa	0.73	104.0	104.4	105.5	108.6	109.3	110.1	110.0	110.2	110.7	110.9	111.0	110.9
1.11	Mineral Waters, Soft Drinks, Fruits & Vegetables Juices	0.62	102.9	103.2	103.4	107.4	108.0	108.4	108.5	107.8	107.8	108.1	108.7	108.6
2	Alcoholic Beverages & Tobacco	4.34	111.3	111.5	112.0	117.1	118.4	118.8	119.3	119.5	120.1	120.8	121.3	121.7
2.1	Alcoholic Beverages	3.51	111.5	111.7	112.1	117.6	119.0	119.4	119.9	120.0	120.8	121.5	122.2	122.7
2.2	Торассо	0.82	110.1	110.3	111.9	114.8	115.9	116.5	117.1	117.2	117.2	117.5	117.2	117.5
3	Clothing & Footwear	5.95	104.4	104.6	104.9	105.7	106.4	106.8	106.9	107.0	107.4	107.8	108.1	108.3
3.1	Clothing	2.60	105.0	105.2	105.5	106.3	107.2	107.3	107.4	107.5	107.8	108.2	108.3	108.6
3.2	Other Articles of Clothing	0.72	104.1	104.4	104.5	104.9	105.1	105.3	105.6	105.8	106.2	106.1	106.9	107.2
3.3	Cleaning, Repair & Hire	0.61	106.1	106.2	106.4	108.4	110.2	111.1	111.3	111.3	111.8	113.3	114.0	114.1
3.4	Footwear	2.03	103.3	103.4	103.7	104.4	104.8	105.3	105.2	105.4	105.9	106.1	106.4	106.7
4	Housing, Water, Electricity, Gas & Other Fuels	17.45	108.7	109.0	109.2	113.3	113.6	115.8	115.9	116.0	116.6	116.7	116.9	117.5
4.1	Rent Paid by Tenants	7.78	103.6	103.6	103.7	108.9	108.9	109.9	109.9	109.9	110.9	110.9	110.9	111.9
4.2	Materials for Maintenance & Repair of Dwellings	3.83	111.7	113.0	113.5	115.9	117.3	118.8	119.2	119.7	120.2	120.6	121.4	121.7
4.3	Water Supply & Miscellaneous Services	1.96	100.0	100.0	100.0	100.0	100.0	112.7	112.7	112.7	112.7	112.7	112.7	112.7
4.4	Electricity, Gas & Other Fuels	3.89	120.4	120.4	120.5	126.2	126.3	126.3	126.4	126.4	126.5	126.7	126.7	126.8
5	Furnishing, H/H Equipment & Routine Maintenance	4.85	105.1	105.2	105.6	106.9	107.2	107.8	108.2	108.4	109.3	109.6	109.5	110.0
5.1	Furniture & Furnishing	1.35	104.9	104.9	105.6	106.4	106.6	107.3	107.4	107.9	108.6	109.4	109.5	109.7
5.2	Carpets & Other Floor Coverings	0.27	105.2	106.0	106.0	107.7	108.3	109.1	109.5	109.9	110.0	110.6	110.3	110.3
5.3	Household Textiles	0.29	105.5	105.7	106.1	107.7	107.8	108.4	108.6	109.3	110.1	109.9	110.2	110.3
5.4	Household Appliances	0.72	104.6	104.8	105.0	106.2	106.9	107.7	107.9	108.4	110.0	110.3	110.1	111.1
5.5	Glassware, Tableware & Household Utensils	0.23	105.9	105.9	106.2	107.8	108.7	109.5	110.0	110.5	110.4	110.8	110.9	111.3
5.6	Small Tools, Miscellaneous Accessories	0.04	107.8	108.3	108.4	111.3	111.9	112.9	113.3	113.9	114.9	115.3	116.2	116.4
5.7	Goods & Services for Household Maintenance	1.95	105.3	105.3	105.5	107.2	107.2	107.6	108.2	108.2	109.0	109.1	108.8	109.5

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#### Table 6 Cont'd: 2021 National Consumer Price Group and Section Indices (December 2018 = 100.0)

	le 6 cont d. 2021 National	001150			<u>ioup</u>			mana	<u> </u>		2010		,	
		Weights	Ę	Feb	Mar	Apr	May	Ind	-	Aug	Sep	Oct	Νον	Dec
	Group Section	3	Jan	щ	Σ	4	Σ	ñ	Inc	Ā	ň	ŏ	ž	Ď
6	Health	3.38	103.2	103.2	103.5	104.3	104.9	104.9	104.8	104.9	105.0	105.2	105.3	105.4
6.1	Medical Products, Applications & Equipments	0.98	104.4	104.4	104.8	105.9	107.9	107.8	107.0	107.4	107.7	107.9	108.1	108.5
6.2	Out-Patient Services	0.93	103.9	104.1	104.6	105.5	105.5	105.5	105.8	105.8	106.1	106.3	106.4	106.6
6.3	Hospital Services	1.47	102.0	102.0	102.0	102.6	102.6	102.6	102.6	102.6	102.6	102.6	102.7	102.7
7	Transport	23.43	99.6	100.0	102.8	108.8	109.7	110.2	113.5	113.4	114.0	117.5	117.1	116.8
7.1	Purchase of Vehicles	5.74	111.0	112.3	113.2	118.9	121.7	123.8	126.6	125.9	128.1	129.6	127.8	126.3
7.2	Operation of Personal Transport	12.56	89.2	89.3	94.1	102.8	103.1	103.1	108.1	108.2	108.4	114.0	114.2	114.3
7.3	Transport Services	5.13	112.3	112.3	112.3	112.3	112.3	112.2	112.2	112.2	112.2	112.2	112.2	112.2
8	Communication	6.94	101.1	101.1	101.1	101.8	102.1	102.2	102.3	102.3	102.3	102.3	102.3	102.2
8.1	Postal Services	0.21	113.6	113.6	113.6	113.6	113.6	113.6	113.6	113.6	113.6	113.6	113.6	113.6
8.2	Telephone & Telefax Equipment	1.13	104.0	104.2	104.3	104.0	106.0	106.3	107.2	107.0	107.2	107.2	107.3	106.6
8.3	Telephone & Telefax Services	5.60	100.0	100.0	100.0	100.9	100.9	100.9	100.9	100.9	100.9	100.9	100.9	100.9
9	Recreation & Culture	2.82	101.1	101.6	101.8	103.1	103.7	104.0	104.0	104.1	104.6	104.6	104.7	104.9
9.1	Audio Visual, Photographic & Information Processing Equipment	2.10	101.1	101.7	101.9	102.8	103.6	103.9	104.0	104.1	104.6	104.6	104.6	104.9
9.2	Other Recreational Items & Equipments	0.30	102.9	103.4	103.8	104.4	104.5	104.7	104.7	104.9	105.1	105.8	106.0	106.2
9.3	Recreational & Cultural Services	0.31	97.7	97.7	97.7	101.9	101.9	101.9	101.9	101.9	101.9	101.9	101.9	101.9
9.4	Newspapers, Books & Stationary	0.11	106.4	106.4	106.5	108.2	108.4	108.5	108.6	108.9	109.0	109.2	109.3	109.3
10	Education	4.60	109.9	109.9	109.9	109.9	109.9	110.0	110.0	110.0	111.1	111.1	111.1	111.1
10.1	Pre-Primary & Primary Education	1.89	111.1	111.1	111.1	111.2	111.2	111.3	111.3	111.3	111.3	111.3	111.3	111.3
10.2	Secondary & Tertiary Education	2.70	109.0	109.0	109.0	109.0	109.0	109.1	109.1	109.1	110.9	110.9	110.9	110.9
11	Restaurants & Hotels	3.66	105.2	105.5	106.0	107.0	107.9	108.5	108.2	108.7	109.1	109.6	109.9	110.0
11.1	Restaurants, Cafes & the Like	3.02	107.0	107.3	108.0	109.0	110.1	110.8	110.5	111.1	111.6	112.2	112.6	112.7
11.2	Accommodation Services	0.64	96.7	96.9	96.6	97.4	97.5	97.5	97.3	97.5	97.4	97.2	97.0	97.1
12	Miscellaneous Goods & Services	9.01	106.8	106.9	106.9	112.2	112.5	112.6	112.9	113.2	113.8	114.1	113.7	114.1
12.1	Personal Care	2.33	102.3	102.5	102.8	105.8	106.0	106.5	107.6	108.2	108.5	108.9	108.6	108.4
12.2	Personal Effects Not Elsewhere Classified	0.22	101.3	101.2	101.4	101.3	101.4	101.5	101.2	101.3	101.3	101.4	102.2	102.5
12.3	Social Protection	0.13	110.0	109.4	109.7	109.7	109.7	109.7	109.7	109.7	109.7	109.7	109.7	109.7
12.4	Insurance	3.62	112.0	112.1	111.8	120.1	120.1	119.7	119.6	119.7	120.4	120.6	119.6	120.6
12.5	Financial Services	1.09	103.0	103.2	103.4	111.9	113.7	114.0	114.4	114.9	114.9	115.2	115.7	115.7
12.6	Taxes, Licences & Fees	1.61	104.6	104.8	104.8	105.7	106.0	106.3	106.3	106.7	107.9	108.3	108.4	108.5
	All-Items Index	100.0	104.9	105.2	106.0	109.6	110.1	110.8	111.7	111.8	112.3	113.3	113.3	113.5

			Index		Annual Inflation					
		Cities & Towns	Urban Village	Rural Village	Cities & Towns	Urban Village	Rural Village			
Weights		0.38	0.41	0.21	%	%	%			
2021	Jan	104.9	105.3	104.2	2.0	2.6	2.1			
	Feb	105.1	105.6	104.5	2.1	2.7	2.3			
	Mar	105.9	106.5	105.4	2.9	3.5	3.1			
	Apr	109.7	110.0	108.4	5.5	5.9	5.2			
	Мау	110.3	110.6	109.0	6.1	6.5	5.7			
	June	111.0	111.3	109.6	8.2	8.3	7.9			
	July	111.7	112.1	110.8	8.8	9.0	8.8			
	Aug	111.8	112.3	110.9	8.7	8.9	8.8			
	Sep	112.4	112.9	111.1	8.4	8.6	8.0			
	Oct	113.3	113.8	112.4	8.7	9.0	8.6			
	Nov	113.3	113.8	112.4	8.5	8.8	8.5			
	Dec	113.4	113.9	112.7	8.6	8.8	8.7			
	Annual Average	110.2	110.7	109.3	6.5	6.9	6.5			

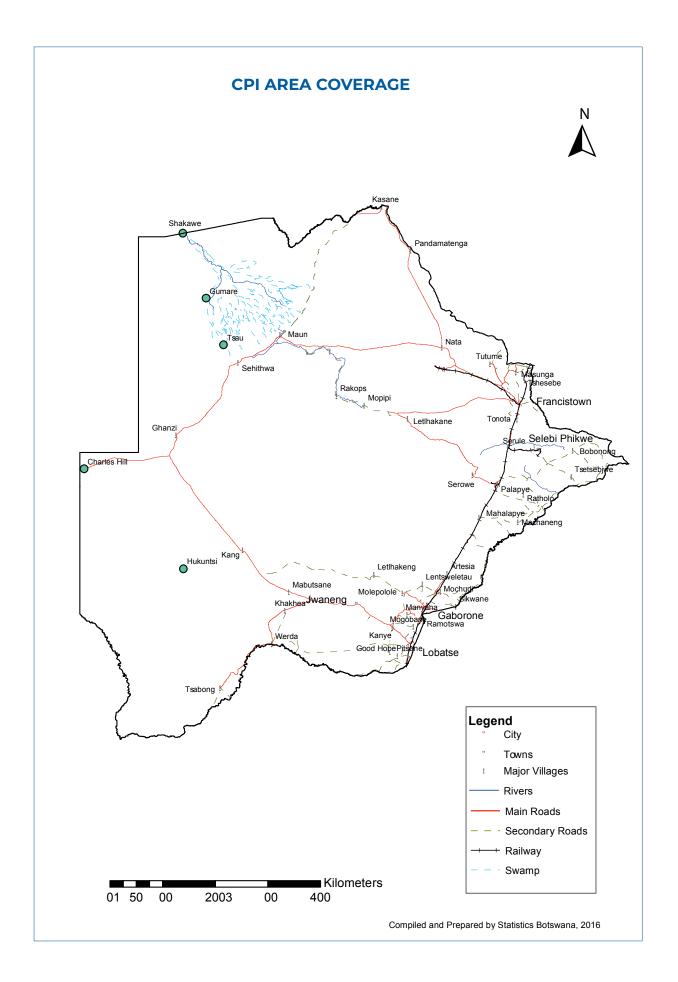
#### Table 7: Consumer Price Index and Inflation Rates by Strata 2021

#### Table 8: Consumer Price Index by Tradeability 2021 (December 2018 = 100.0)

		All Items		Non- Tradeables		Domestic Tradeables		Imported Tradeables		All Tradeables		
		Index Inflation		Index Inflation		Index Inflation		Index Inflation		Index	Inflation	
	Weights	100.0	%	42.3	%	15.5	%	42.3	%	57.7	%	
2021	Jan	104.9	2.3	107.0	4.4	109.8	4.6	101.0	-0.7	103.4	0.7	
	Feb	105.2	2.4	107.1	4.4	110.5	4.8	101.5	-0.5	103.8	1.0	
	Mar	106.0	3.2	107.1	4.4	110.8	5.0	103.3	1.3	105.3	2.3	
	Apr	109.6	5.6	109.8	4.9	113.7	7.2	107.9	5.7	109.4	6.1	
	Мау	110.1	6.2	110.0	5.1	114.0	6.9	108.9	7.0	110.3	7.0	
	June	110.8	8.2	110.8	5.8	114.0	5.9	109.7	11.6	110.8	10.0	
	July	111.7	8.9	110.9	5.9	113.6	5.1	111.9	13.6	112.3	11.2	
	Aug	111.8	8.8	111.0	5.9	113.8	4.8	112.0	13.4	112.4	11.0	
	Sep	112.3	8.4	111.4	4.6	114.4	5.3	112.5	13.6	113.0	11.3	
	Oct	113.3	8.8	111.5	4.6	114.7	5.4	114.6	14.7	114.7	12.0	
	Nov	113.3	8.6	111.5	4.5	114.8	5.3	114.6	14.3	114.6	11.8	
	Dec	113.5	8.7	111.9	4.7	115.1	5.3	114.5	14.2	114.7	11.7	
	Annual Average	110.2	6.7	110.0	5.0	113.3	5.5	109.4	9.0	110.4	8.0	

	Group	Weights	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1	Food & Non-Alcoholic Beverages	13.55	6.9	8.0	5.4	3.0	1.3	2.7	3.4	(0.5)	1.4	3.7	6.0
2	Alcoholic Beverages & Tobacco	4.34	8.4	7.6	10.3	9.0	6.1	2.5	4.5	1.1	2.8	5.4	8.9
3	Clothing & Footwear	5.95	8.9	7.5	6.3	6.0	7.6	6.5	3.2	1.8	1.3	2.2	3.5
4	Housing, Water, Electr. Gas & Other Fuels	17.45	8.4	7.7	4.3	3.9	7.1	6.3	5.4	4.1	2.1	5.1	7.7
5	Furnishing, H/H Equipment & Routine Maintenance	4.85	9.0	7.3	4.9	5.0	6.1	3.0	3.3	2.1	2.1	2.4	3.7
6	Health	3.38	4.5	5.9	5.5	8.3	6.3	3.0	2.4	1.1	1.0	1.3	2.7
7	Transport	23.43	13.2	10.8	7.3	1.2	(5.1)	(2.7)	1.6	7.5	6.2	(2.4)	12.3
8	Communication	6.94	(3.0)	(1.4)	0.3	0.3	0.3	0.2	0.5	(4.6)	(3.8)	0.5	1.3
9	Recreation & Culture	2.82	8.3	5.8	4.5	4.2	5.7	3.0	2.2	1.8	0.4	(0.2)	3.5
10	Education	4.60	10.6	6.4	4.7	7.4	6.4	3.7	4.1	5.5	3.1	4.7	2.2
11	Restaurants & Hotels	3.66	9.3	8.4	7.9	7.6	5.5	4.0	3.7	3.4	2.5	3.2	3.1
12	Miscellaneous Goods & Services	9.01	5.3	2.0	1.2	5.2	7.2	7.5	3.9	6.4	5.3	2.0	5.4
	All-Items Index	100.0	8.5	7.5	5.9	4.4	3.1	2.8	3.3	3.2	2.8	1.9	6.7

#### Table 9: Average Annual Inflation ( December 2018=100)



14.

### 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 subgroups 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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