



MINISTRY OF PLANNING
AND NATIONAL DEVELOPMENT



CENTRAL STATISTICS
DEPARTMENT



MONTHLY CONSUMER PRICE INDEX (CPI)

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January 2025



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• Methodological Note

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

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

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

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

• Consumer Price Index summary for January 2025

In January 2025, the overall CPI Increased at 0.8% over the previous month, and Decreased 7.8% over the same month in the previous year.

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

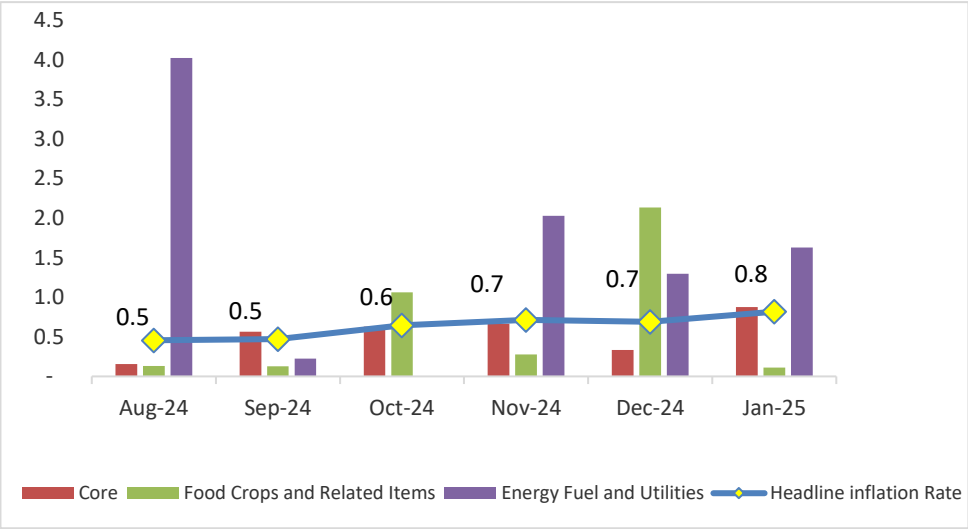
Table 1. Monthly and annual change in overall CPI and main COICOP Divisions for January 2025

Code	Main Divisions/classes	Weights	Dec_24	Dec_24	Jan_25	Month Percent change	Annual Percent change
	HEADLINE INDEX	100%	239.31	255.87	257.96	0.8	7.8
1	Food and non-alcoholic beverages	41.75%	282.06	307.62	308.33	0.2	9.3
1.1	FOOD	38.71	287.45	312.73	313.50	0.2	9.1
01.1.1	Bread and Cereals	10.48	221.59	248.23	251.54	1.3	13.5
01.1.2	Meat	6.05	329.84	359.76	359.76	1.3	9.1
01.1.3	Fish and sea food	0.37	236.66	259.06	259.06	0.0	9.5
01.1.4	Milk, cheese and eggs	4.23	269.32	276.82	276.82	0.0	2.8
01.1.5	Oil and fats	1.54	213.22	226.23	226.23	0.0	6.1
01.1.6	Fruits	3.26	470.07	523.19	524.55	0.3	11.6
01.1.7	Vegetables	6.28	335.78	365.86	365.86	0.0	9.0
01.1.8	Sugar,Jam,Honey,chocolate and confe.	2.53	240.17	252.57	253.34	0.3	5.5
01.1.9	Food products n.e.c	3.99	253.61	265.62	267.22	0.6	5.4
2	Alcoholic Beverages, Tobacco and Narcotics	4.56%	301.32	290.85	318.92	9.6	5.8
3	Clothing and footwear	5.73%	226.33	252.06	250.63	-0.6	10.7
4	Housing water, electricity, gas and other fuels	14.10%	225.16	232.29	234.73	1.1	4.3
5	Furnishings household equipment and routine household maintenance	5.55%	201.90	211.42	211.42	0.0	4.7
6	Health	2.56%	217.77	219.52	221.17	0.8	1.6
7	Transport	8.85%	148.98	153.63	153.63	0.0	3.1
8	Communication	2.99%	193.12	202.82	202.82	0.0	5.0
9	Recreation and culture	2.25%	187.79	196.91	196.91	0.0	4.9
10	Education	3.69%	153.84	172.65	172.65	0.0	12.2
11	Restaurants and hotels	3.35%	216.28	247.28	248.33	0.4	14.8
12	Miscellaneous goods and services	4.62%	221.04	239.31	239.31	0.0	8.3

Recent trends in the CPI and its main components

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

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



Monthly inflation rates over 6 month

Over the past 6 months, monthly headline inflation has slightly decelerated in the following months, before almost stopping August 2024 the inflation rate decreased at 0.5% while in September the Inflation rate constant at 0.5%, where the following of October 2024 the inflation rate is constant at 0.6% while November increased at 0.7% where in December Inflation rate constant at 0.7% and the inflation rate of January 2025 Increased at 0.8%.

The biggest monthly increments were measured for the “Food Crop & Related items” component, in August 2024 increased at 0.1% and the inflation rate of September constant at 0.1% while inflation of October 2024 is increased at 1.1% in inflation rate November decreased at 0.3% where in December inflation rate was increased at 2.1% and January 2025 inflation rate decreased at 0.1%.

On the other hand, the “Energy, Fuel and Utilities” component monthly were in August 2024 inflation rate increased at 4.1%, while in September 2024 the inflation rate decreased at 0.2% and October the inflation rate constant at 0.2% where in November inflation rate is increased at 2.0% and December inflation rate decreased at 1.3% while January inflation rate increased at 1.6%

The “Core Inflation” component, which reflects change in prices of goods in the consumption goods belonging to one of the other two components, was the least volatile of the three in August the inflation rate decreased at 0.2% While in September 2024 inflation rate increased at 0.6% and October increased at 0.7% and inflation rate of December 2024 is decreased by 0.3% Where January 2025 inflation rate increased at 0.9%

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

	2024												2025
Component	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Headline index	1.2	0.3	0.4	0.6	0.7	0.8	1.0	0.5	0.5	0.6	0.7	0.7	0.8
Core	0.5	0.8	0.4	0.5	0.3	1.0	0.9	0.2	0.6	0.6	0.7	0.3	0.9
Food crops & related items	3.5	-1.9	0.4	3.4	2.7	0.3	1.0	0.1	0.1	1.1	0.3	2.1	0.1
EFU	2.5	-0.3	0.1	(3.6)	0.9	0.0	1.7	4.0	0.2	0.0	2.0	1.3	1.6

Table 3. Annual percentage change in overall CPI and main components

	2024												2025
Component	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
Headline index	10.2	10.0	9.7	9.6	9.4	9.5	9.9	9.8	9.4	8.9	8.7	8.2	7.8
Core	5.9	6.5	6.5	6.5	6.4	7.0	7.5	7.0	6.8	6.8	7.2	6.9	7.3
Food crops & related items	34.2	31.3	30.3	31.3	30.5	29.6	29.0	28.5	26.3	22.6	17.6	13.8	10.1
EFU	15.0	11.4	9.4	5.5	4.9	2.3	3.0	6.8	6.4	5.7	7.9	9.2	8.3

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

Monthly Inflation		Annual Inflation	
Current month index level	257.96	Current month index level	257.96
Less index for previous month	255.87	Less index for same month of the previous year	239.31
Index point difference	2.09	Index point difference	18.65
Divided by the previous month index	255.87	Divided by the previous year index	239.31
Equals	0.0081682104	Equals	0.0779323389
Results multiplied by 100	0.0081682104x100	Results multiplied by 100	0.0779323389x100
Equals percent change	0.8%	Equals percent change	7.8%

How to interpret inflation and CPI statistics?

Movements of the indices from one month to another usually are expressed as percentage changes rather than changes in index points. For instance, one index going from 100 in one month to 110 the next month represents a 10% increase in that index, which will be typically reported as a 10% rate of monthly inflation.

NB: Since in January 2024 there were two price-related incidents; The value of local currency Somaliland Shillings were increased due to of exchange rate since July that dramatically changed October to December, that affected prices of some commodities to violated, especially Food and Non-Alcoholic Beverages were effected to the exchange rate 2024,

Glossary

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

