



MINISTRY OF PLANNING
AND NATIONAL DEVELOPMENT



CENTRAL STATISTICS
DEPARTMENT



MONTHLY CONSUMER PRICE INDEX (CPI)

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May 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 May 2025

In May 2025, the overall monthly inflation rate increased by 0.7% compared to the previous month, while the annual inflation rate remained constant at 8.4% compared to 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 Divisions.

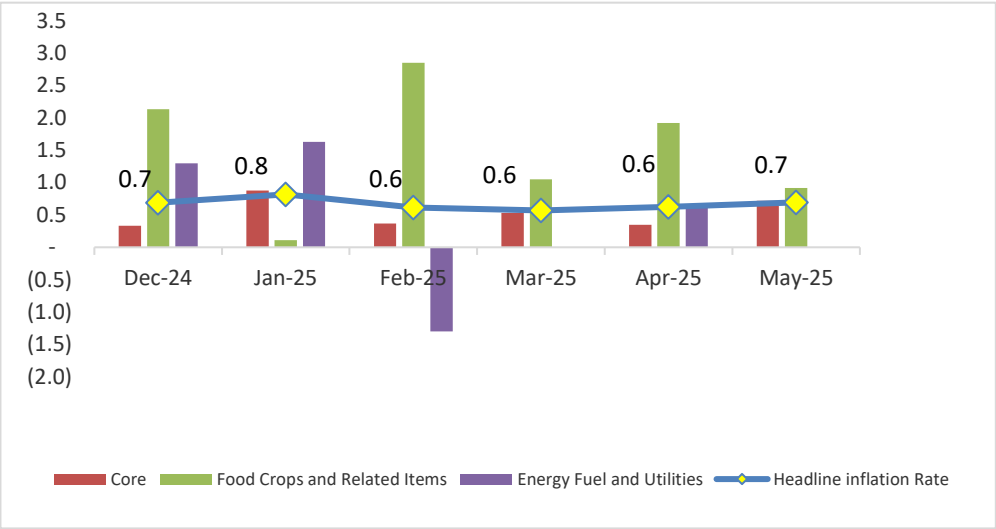
Table 1. Monthly and annual change in overall CPI and main COICOP Divisions for May 2025

Code	Main Divisions/classes	Weights	May_24	April_25	May_25	Month Percent change	Annual Percent change
	HEADLINE INDEX	100%	244.08	262.66	264.60	0.7	8.4
1	Food and non-alcoholic beverages	41.75%	290.45	317.24	318.47	0.4	9.6
1.1	FOOD	38.71	294.65	322.99	324.32	0.4	10.1
01.1.1	Bread and Cereals	10.48	228.14	255.77	254.95	-0.3	11.7
01.1.2	Meat	6.05	322.22	362.58	362.58	-0.3	12.5
01.1.3	Fish and sea food	0.37	263.32	260.40	260.40	0.0	-1.1
01.1.4	Milk, cheese and eggs	4.23	269.62	277.73	277.73	0.0	3.0
01.1.5	Oil and fats	1.54	221.49	267.22	267.22	0.0	20.6
01.1.6	Fruits	3.26	475.16	577.44	577.32	0.0	21.5
01.1.7	Vegetables	6.28	359.98	376.24	382.49	1.7	6.3
01.1.8	Sugar,Jam,Honey,chocolate and confe.	2.53	252.57	253.34	254.94	0.6	0.9
01.1.9	Food products n.e.c	3.99	261.72	267.45	271.81	1.6	3.9
2	Alcoholic Beverages, Tobacco and Narcotics	4.56%	273.55	330.35	326.00	-1.3	19.2
3	Clothing and footwear	5.73%	243.96	252.11	255.65	1.4	4.8
4	Housing water, electricity, gas and other fuels	14.10%	224.56	235.05	236.13	0.5	5.2
5	Furnishings household equipment and routine household maintenance	5.55%	207.47	218.45	218.66	0.1	5.4
6	Health	2.56%	216.32	223.47	223.68	0.1	3.4
7	Transport	8.85%	149.41	151.53	151.53	0.0	1.4
8	Communication	2.99%	203.03	202.82	202.82	0.0	-0.1
9	Recreation and culture	2.25%	191.75	197.07	197.44	0.2	3.0
10	Education	3.69%	161.31	172.65	172.65	0.0	7.0
11	Restaurants and hotels	3.35%	235.22	248.33	281.13	13.2	19.5
12	Miscellaneous goods and services	4.62%	220.95	240.66	243.83	1.3	10.4

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 months

Over the past six months, monthly headline inflation has slightly decelerated. In December 2024, the inflation rate remained constant at 0.7%. In January 2025, it increased slightly to 0.8%, then decreased to 0.6% in February. The inflation rate remained steady at 0.6% in both March and April 2025, before rising again to 0.7% in May.

The largest monthly fluctuation rates were observed in the Food Crop & Related Items component. In December 2024, the inflation rate rose by 2.1%. In January 2025, it slightly declined by 0.1%, followed by a sharp increase of 2.9% in February. The rate then decreased by 1.0% in March, rose again by 1.9% in April, and finally declined by 0.9% in May.

On the other hand, the “Energy, Fuel and Utilities” component recorded a monthly inflation rate decrease of 1.3% in December 2024. In January 2025, the rate increased by 1.6%, followed by an increase to -1.3% in February. The inflation rate remained constant at -1.3% in March. In April, it rose to 0.7%, and remained steady at that level in May.

The Core Inflation component, which reflects changes in the prices of consumption goods not included in the other two components, was the least volatile of the three. In December, the inflation rate decreased by 0.3%. In January 2025, it increased by 0.9%, then decreased by 0.4% in February. In March, the rate rose by 0.5%, followed by a decrease of 0.3% in April. In May, the inflation rate increased again by 0.8%..

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

	2024								2025				
Component	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Headline index	0.7	0.8	1.0	0.5	0.5	0.6	0.7	0.7	0.8	0.6	0.6	0.6	0.7
Core	0.3	1.0	0.9	0.2	0.6	0.6	0.7	0.3	0.9	0.4	0.5	0.3	0.8
Food crops & related items	2.7	0.3	1.0	0.1	0.1	1.1	0.3	2.1	0.1	2.9	1.0	1.9	0.9
EFU	0.9	0.0	1.7	4.0	0.2	0.0	2.0	1.3	1.6	-1.3	0.0	0.7	0.0

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

	2024								2025				
Component	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Headline index	9.4	9.5	9.9	9.8	9.4	8.9	8.7	8.2	7.8	8.1	8.3	8.4	8.4
Core	6.4	7.0	7.5	7.0	6.8	6.8	7.2	6.9	7.3	6.8	6.9	6.8	7.4
Food crops & related items	30.5	29.6	29.0	28.5	26.3	22.6	17.6	13.8	10.1	15.4	16.1	14.5	12.5
EFU	4.9	2.3	3.0	6.8	6.4	5.7	7.9	9.2	8.3	7.1	7.0	11.7	10.6

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

Monthly Inflation		Annual Inflation	
Current month index level	264.60	Current month index level	264.60
Less index for previous month	262.66	Less index for same month of the previous year	244.08
Index point difference	1.94	Index point difference	20.52
Divided by the previous month index	262.66	Divided by the previous year index	244.08
Equals	0.007386	Equals	0.0840708
Results multiplied by 100	0.007386x100	Results multiplied by 100	0.0840708x100
Equals percent change	0.7%	Equals percent change	8.4%

NB: Since in May 2025 there were one price-related incidents; The value of local currency Somaliland Shillings were increased due to of exchange rate since July 2024 that dramatically changed to now, that affected prices of some commodities to violated.the division and groups inflation rate were increased due to Eid such as Clothing and Footwear , Housing, Water, Electricity, Gas and Other Fuels and Miscellaneous Goods and Services.

How to interpret inflation and CPI statistics?

Changes in indices from one month to the next are typically expressed as percentage changes rather than changes in index points. For example, if an index rises from 50 in one month to 55 in the next, this represents a 10% increase. This would typically be reported as a 10% monthly inflation rate.

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.

