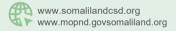


MONTHLY CONSUMER PRICE INDEX (CPI)

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June 2025





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 ٥f 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 (Laspevres 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 June 2025

In June 2025, the overall monthly inflation rate increased by 0.8% 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 Table 1. Monthly and annual change in overall CPI and main COICOP Divisions for June 2025

Month Annual Code Weiahts Main Divisions/classes Jun 24 May 25 Jun 25 Percent Percent change change HEADLINE INDEX 100% 246 04 264 60 266 76 8.0 84 Food and non-alcoholic 323.26 292 21 318 47 1 41 75% 15 106 beverages 296 37 11.1 FOOD 38 71 324 32 329 34 15 11 Bread and Cereals 225.11 254.95 254.57 -0.1 13.1 01 1 1 10 48 0112 Meat 336 30 362 58 362 72 -0 1 79 6.05 01 1 3 Fish and sea food 0.37 260 98 260 40 257 48 -1.1 -1.3 269.08 277.73 282.37 4.9 01.1.4 Milk, cheese and eggs 4.23 1.7 01 1 5 Oil and fats 1 54 221 49 267 22 266 48 -0.3 20.3 3.26 478.57 577.32 4.6 26.2 01.1.6 Fruits 604.15 01 1 7 Vegetables 6.28 360.01 382.49 390.70 2.1 8.5 01 1 8 Sugar, Jam, Honey, chocolate and 2.53 252.57 254 94 273.48 7.3 8.3 01 1 9 261.78 271.87 3 99 270.29 -0.6 3.3 Food products n.e.c Alcoholic Beverages, Tobacco 2 4 56% 273 55 326 00 326 00 0.0 19 2 and Narcotics 3 5 73% 245 83 255 65 255 37 -0 1 39 Clothing and footwear Housing water, electricity, gas 224.61 236.13 237.53 14.10% 0.6 5.8 and other fuels Furnishings household equipment and routine 5.55% 209.93 218.66 219.31 0.3 5 4.5 household maintenance 219.50 223.68 223.70 6 Health 2.56% 0.0 1.9 149.13 151.53 150.72 1.1 7 Transport 8.85% -0.5 8 2 99% 203.03 202.82 202.82 -0.1 Communication 0.0 192.43 197.44 199.89 1.2 3.9 9 Recreation and culture 2.25% 10 Education 3.69% 161.09 172.65 172.65 0.0 7.2 248.44 13.2 11 Restaurants and hotels 3.35% 281.13 281.13 0.0 Miscellaneous goods and 232.17 243.83 242.83 -0.4 4.6 12 4.62% services

• 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.

4.0 3.0 2.0 0.7 0.8 ი გ 0.6 0.6 0.6 1.0 Jan-25 Mar-25 Apr-25 Feh-2 lun-25 May-25 (1.0)(2.0)

Energy Fuel and Utilities

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

Monthly inflation rates over 6 months

Food Crops and Related Items

Core

Over the past six months, monthly headline inflation has shown a slight deceleration, followed by relative stability. In January 2025, the inflation rate increased by 0.8%, then decreased to 0.6% in February. The rate remained unchanged at 0.6% in both March and April. In May, it rose slightly to 0.7%, and in June 2025, it further increased to 0.8%.

The largest monthly fluctuations were observed in the "Food Crop & Related Items" component. In January 2025, the inflation rate decreased slightly by 0.1%, followed by a sharp increase of 2.9% in February. In March, the rate fell by 1.0%, then rose again by 1.9% in April. In May, it declined by 0.9%, before a significant increase of 3.2% in June.

On the other hand, the "Energy, Fuel, and Utilities" component experienced notable monthly changes. In January 2025, the inflation rate increased by 1.6%, followed by a decline of 1.3% in February. The rate then remained unchanged at in March. In April, it rose by 0.7% and remained steady at 0.7% in May. In June, the inflation rate further increased to 0.9%.

Headline inflation Rate

The "Core Inflation" component, which tracks price changes of goods excluding volatile items such as food crops and energy, was the least volatile among the three components. In January 2025, the inflation rate increased by 0.9%, followed by a decrease of 0.4% in February. In March, it rose again by 0.5%, then declined by 0.3% in April. The rate increased to 0.8% in May, before falling again by 0.3% in June.

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

| | | 2024 | | | | | | 2025 | | | | | |
|----------------------------|-----|------|-----|-----|-----|-----|-----|------|------|-----|-----|-----|-----|
| Component | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
| Headline index | 0.8 | 1.0 | 0.5 | 0.5 | 0.6 | 0.7 | 0.7 | 0.8 | 0.6 | 0.6 | 0.6 | 0.7 | 0.8 |
| Core | 1.0 | 0.9 | 0.2 | 0.6 | 0.6 | 0.7 | 0.3 | 0.9 | 0.4 | 0.5 | 0.3 | 0.8 | 0.3 |
| Food crops & related items | 0.3 | 1.0 | 0.1 | 0.1 | 1.1 | 0.3 | 2.1 | 0.1 | 2.9 | 1.0 | 1.9 | 0.9 | 3.2 |
| EFU | 0.0 | 1.7 | 4.0 | 0.2 | 0.0 | 2.0 | 1.3 | 1.6 | -1.3 | 0.0 | 0.7 | 0.0 | 0.9 |

| | 2024 | | | | | | | 2025 | | | | | |
|----------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Component | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
| Headline index | 0.5 | 0.0 | 00 | 0.4 | 0.0 | 0.7 | 0.0 | 7.0 | 0.4 | 0.2 | 0.4 | 0.4 | 0.4 |
| | 9.5 | 9.9 | 9.8 | 9.4 | 8.9 | 8.7 | 8.2 | 7.8 | 8.1 | 8.3 | 8.4 | 8.4 | 8.4 |
| Core | 7.0 | 7.5 | 7.0 | 6.8 | 6.8 | 7.2 | 6.9 | 7.3 | 6.8 | 6.9 | 6.8 | 7.4 | 6.6 |
| Food crops & related items | 29.6 | 29.0 | 28.5 | 26.3 | 22.6 | 17.6 | 13.8 | 10.1 | 15.4 | 16.1 | 14.5 | 12.5 | 15.8 |
| EFU | 2.3 | 3.0 | 6.8 | 6.4 | 5.7 | 7.9 | 9.2 | 8.3 | 7.1 | 7.0 | 11.7 | 10.6 | 11.6 |

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

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

| Monthly Inflation | | Annual Inflation | | |
|-------------------------------------|---------------|--|---------------|--|
| Current month index level | 266.76 | Current month index level | 266.76 | |
| Less index for previous month | 264.60 | Less index for same month of the previous year | 246.04 | |
| Index point difference | 2.16 | Index point difference | 20.72 | |
| Divided by the previous month index | 264.60 | Divided by the previous year index | 246.04 | |
| Equals | 0.0081633 | Equals | 0.0842139 | |
| Results multiplied by 100 | 0.0081633x100 | Results multiplied by 100 | 0.0842139x100 | |
| Equals percent change | 0.8% | Equals percent change | 8.4% | |

NB: in recent years there were price-related incidents in which the value of local currency Somaliland Shillings were increased due to of exchange rate, 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, Electricty, Gas and Other Fuels and Miscellaneous Goods and Services

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 50 in one month to 55 the next month represents a 10% increase in that index, which will be typically reported as a 10% rate of monthly inflation

Glossarv

- Index reference period (Jan-Dec 2012=100): The period with which all other periods at 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.



