Malawi

A: Identification

Title of the CPI: Malawi Consumer Price Index

Organisation responsible: Malawi National Statistical Office

Periodicity: Monthly

Price reference period: 2000 = 100

Index reference period: 2000 = 100

Weights reference period: 1998 Integrated Household Survey (IHS1)

Main uses of CPI: Indexation of wages, pensions and/or social security payment, indexation of rents, contracts and/or other payments, main inflation indicator used for monetary policy, deflate household expenditures in national accounts, computation of purchasing power of households, macroeconomic modelling and other analytic uses.

B: CPI Coverage

Geographical Coverage

Weights: Nation-wide

Price collection: Nation-wide

Population coverage: Resident households of nationals.

Consumption expenditure includes:

- Foods produced for own final consumption;
- Other goods produced for own final consumption;
- Services produced for own final consumption;
- Food consumed away from home;
- Housing maintenance, minor repairs;
- Second hand goods purchased;
- Luxury goods;
- Non-life insurance premiums (e.g. vehicle, housing, other property, medical), gross of claims;
- Licences and fees (e.g. driver's licence, hunting licence, vehicle registration);
- Occupational expenditures

C: Concepts, definitions, classifications and weights
Definition of the CPI and its objectives: Consumer price indices measure changes over time in the general level of prices of goods and services that households acquire, (use or pay for) for the purpose of consumption.

Definition of consumption expenditures: Consumption is defined by use or payment.

Classification: Central Product Classification

Weights include value of consumption from own production: Yes

Sources of weights: Household expenditure surveys.

Frequency of weight updates: Every 3-5 years

Price updating of weight reference period to the index reference period: The weight-reference-period values (November 1997-October 1998) were updated for price change to the index reference period (the year 2000) using an appropriate price index.

Weights for different population groups or regions: Yes

D: Sample design

Sampling methods:

Localities: Judgmental sampling

Outlets: Judgmental sampling

Products: Judgmental sampling

Frequency of sample updates:

Outlets: Continuous (on a rotating basis)

Products: Continuous (on a rotating basis)

Criteria used for selecting an item variety in the outlet in case of loose specifications provided by the central office: Close similarities in item specifications.

E: Data Collection

Approximate number of localities, outlets and price observations: Localities: 36, Price observations: 6,396

Frequency with which prices are collected: Prices for all goods and services are collected monthly.

Reference period for data collection: The first two weeks of each month.
Methods of Price Collection

- Personal data collection for all items.

Treatment of:

Missing or faulty prices: Carrying forward the previous observation.

Period for allowing imputed missing prices: 3 months

Disappearance of a given type or quality from the market: If the product has missed on the market for 3 consecutive months, it is replaced with another product with close similarities in specifications.

Treatment of seasonal items and seasonality

Treatment of housing

Treatment of owner-occupied housing: Les logements occupés par les propriétaires ne sont pas couverts.

F: Computation

Formula used for calculation of elementary indices: The ratio of arithmetic mean prices (Dutot index) (Direct form)

Formula to aggregate elementary indices to higher level indices: Standard Laspyre’s-weighted averages.

Formula of aggregating regional/population group indices into national index: Weighted average.

Software used for calculating the CPI: Microsoft Excel

G: Editing and validation procedures

H: Documentation and dissemination

Level of detailed CPI published

Paper publication: All items CPI, Division-level (12 Divisions), Group-level app. 40 groups

Online: All items CPI, Group-level app. 40 groups

Separate indices published for specific population groups: High, medium and low income groups.

Documentation
Publications and websites where indices can be found: Monthly Stats Flash, Monthly and Quarterly Bulletins, Statistical Year Book, Website: www.nso.malawi.net

I: Other Information

Reported by the country in 2012.