

CPI '25



Update of the CPI basket and weights

28 January 2025

Patrick Kelly



stats sa
Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS





Contents

1. Classification changes
2. Background to the basket and weights update
3. Changes to the basket and weights

Classification changes

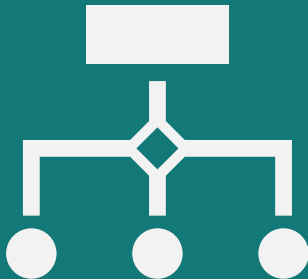


Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

The logo for the 30th anniversary of South Africa's freedom. It features a large '30' with the South African flag colors and the text '30 YEARS OF FREEDOM' and 'South Africa 1994 - 2024' integrated into the design.



Classification



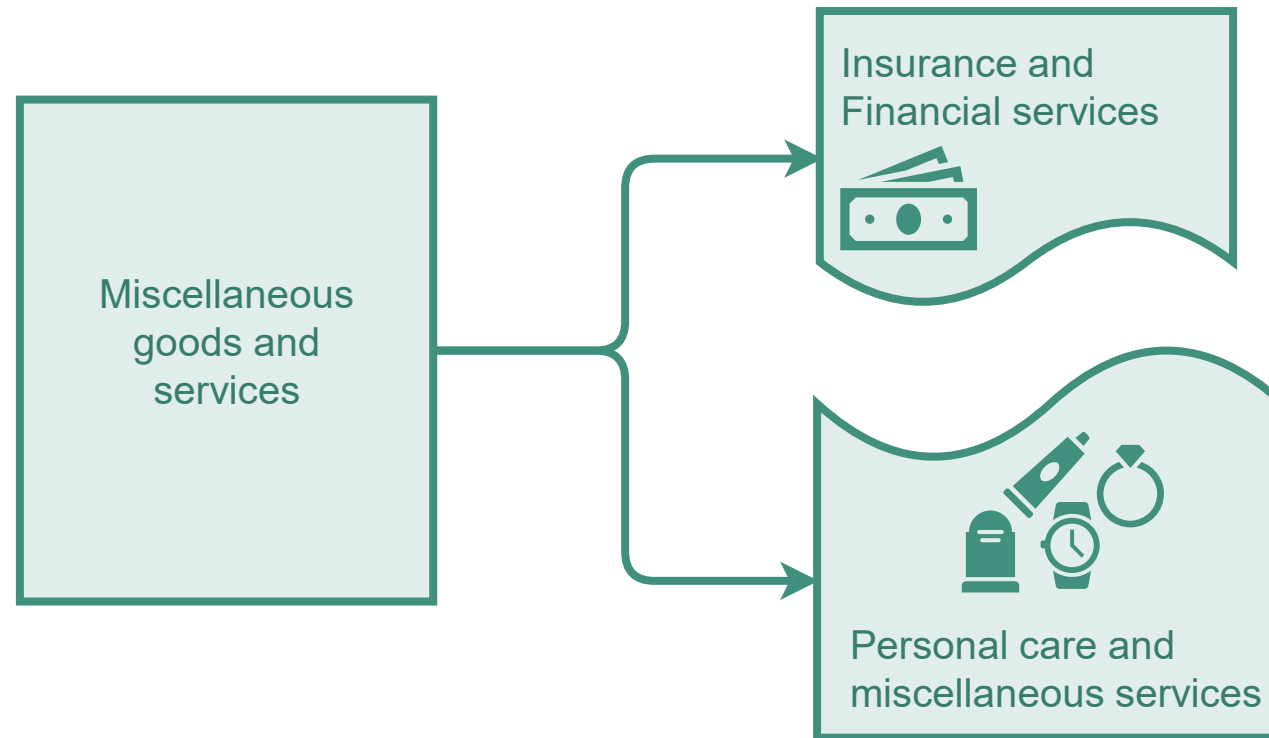
- CPI is classified according to the international Classification of Individual Consumption by Purpose (COICOP)
- New version adopted by United Nations Statistics Commission in 2018
- Aims to provide greater detail and international comparability

Classification changes

CPI



Key changes: Split of division 12 into Insurance and Financial services (12) and Miscellaneous (13)



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS

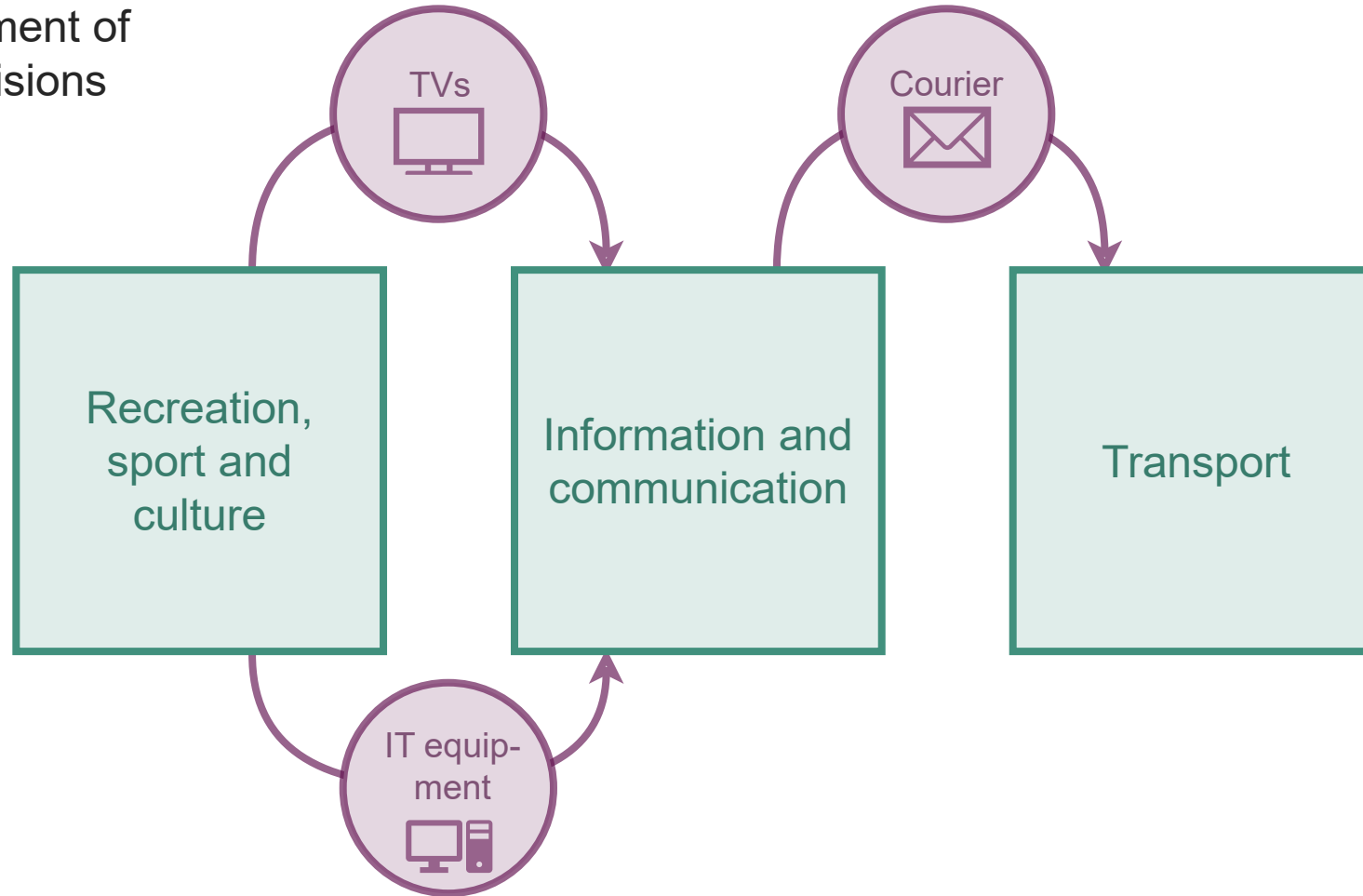


Classification changes

CPI



Key changes: Movement of products between divisions



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS



Classification changes

CPI



Key changes: Renaming

Name changed

OLD		NEW	
COICOP	Name	Name	COICOP
1	Food and non-alcoholic beverages	Food and non-alcoholic beverages	1
2	Alcoholic beverages and tobacco	Alcoholic beverages and tobacco	2
3	Clothing and footwear	Clothing and footwear	3
4	Housing and utilities	Housing and utilities	4
5	Household contents and services	Furnishings, household equipment and routine maintenance	5
6	Health	Health	6
7	Transport	Transport	7
8	Communication	Information and communication	8
9	Recreation and culture	Recreation, sport and culture	9
10	Education	Education	10
11	Restaurants and hotels	Restaurants and accommodation services	11
12	Miscellaneous goods and services	Insurance and financial services	12
		Personal care and miscellaneous services	13





Impact

1. Creation of new division (Insurance and financial services)
2. Expenditure collected for the first time for certain groups
3. No revision of previous data, but will provide an indicative re-classified time series
4. Changes to names on publication
5. Change to codes in Excel files. Will provide a concordance table with old and new codes

Today's presentation uses new COICOP for like-on-like comparison



1. Index reference period is where all indices = 100
2. Usually re-reference with basket and weights update to facilitate changes
3. Re-referencing removes influence of historical inflation on current readings
4. Current index reference period is December 2021=100
5. New reference period will be December 2024=100
6. Re-referencing only changes the level of the indices
7. All rates of change remain as published

2.

Background to basket and weights update



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS





Weights



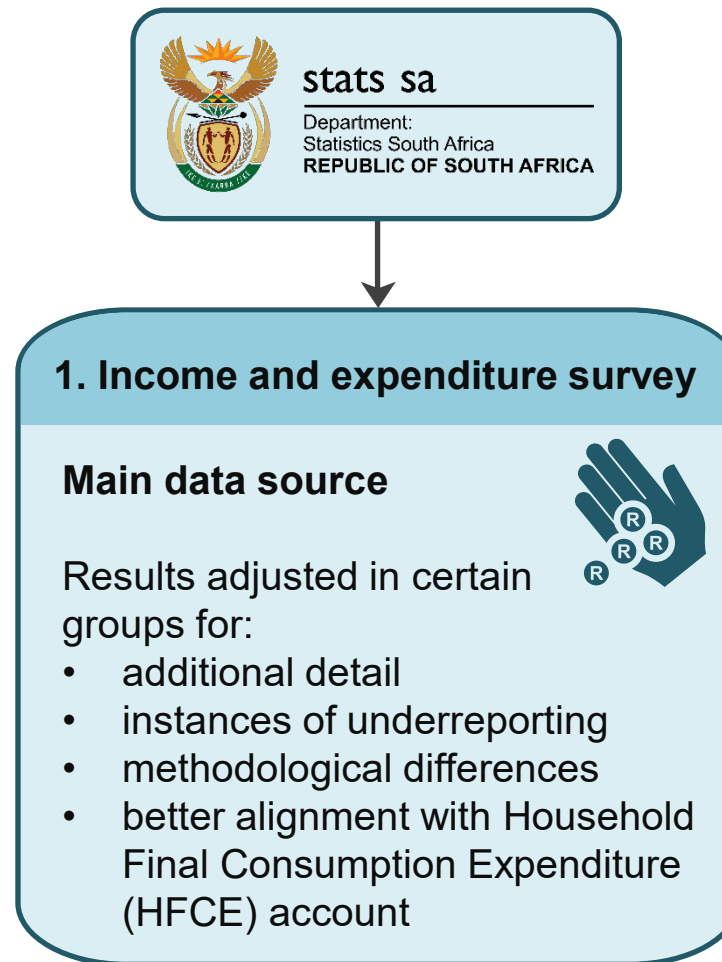
- Weights of CPI are proportions of total household consumption expenditure
- A weight is attached to each product in the basket of goods and services
- Weights determine the relative impact of price changes in a product on the headline CPI
- Current reference period = 2019
- New reference period = 2023

Background to basket and weights update

CPI



Data sources: Stats SA

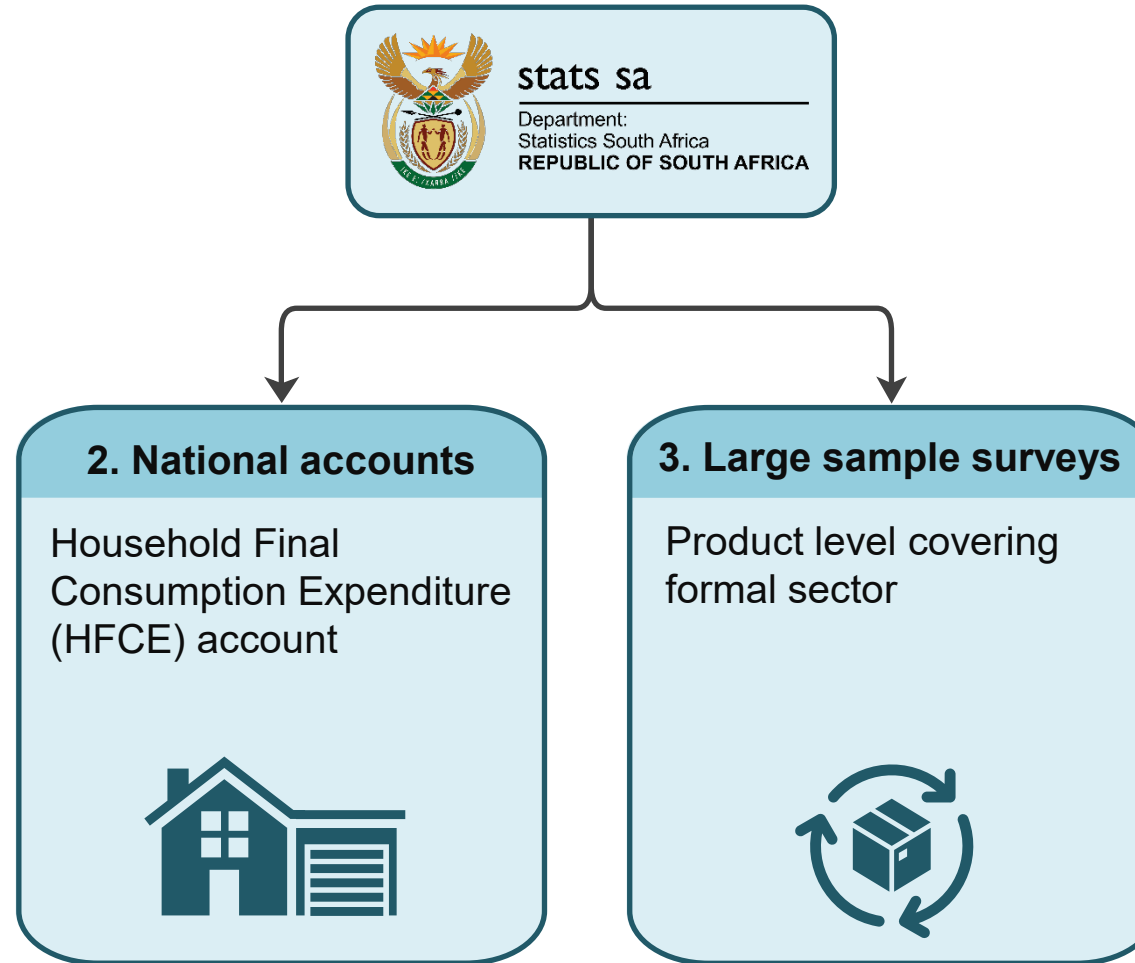


Background to basket and weights update

CPI



Data sources: Stats SA



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS

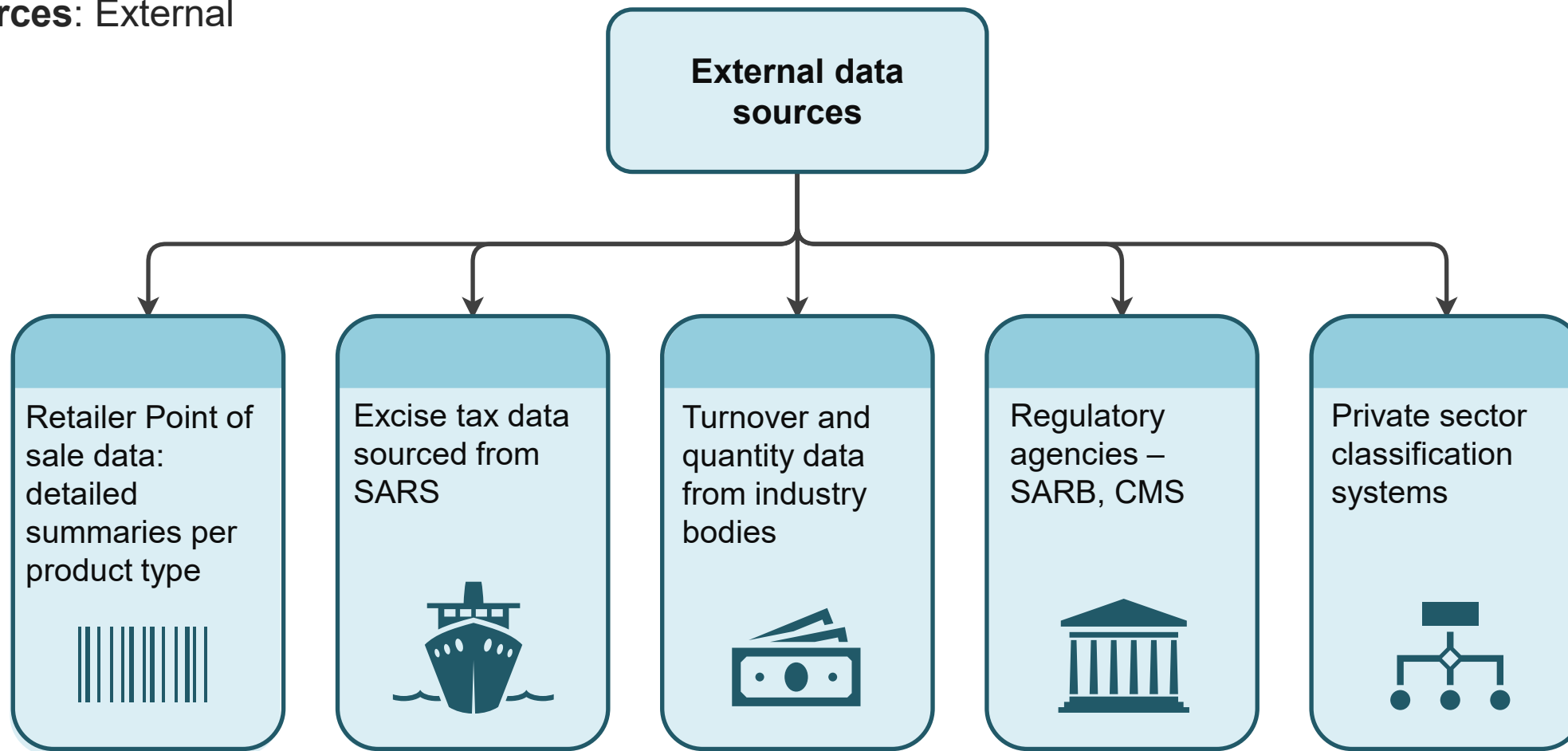


Background to basket and weights update

CPI



Data sources: External



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS





- Calculate expenditure value for each product
- Select cumulative 80% value in each product category
- Minimum 0,01% of total expenditure
- Value for non-selected products redistributed to those selected
- All values are then converted to percentages

3.

Changes to the basket and weights



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

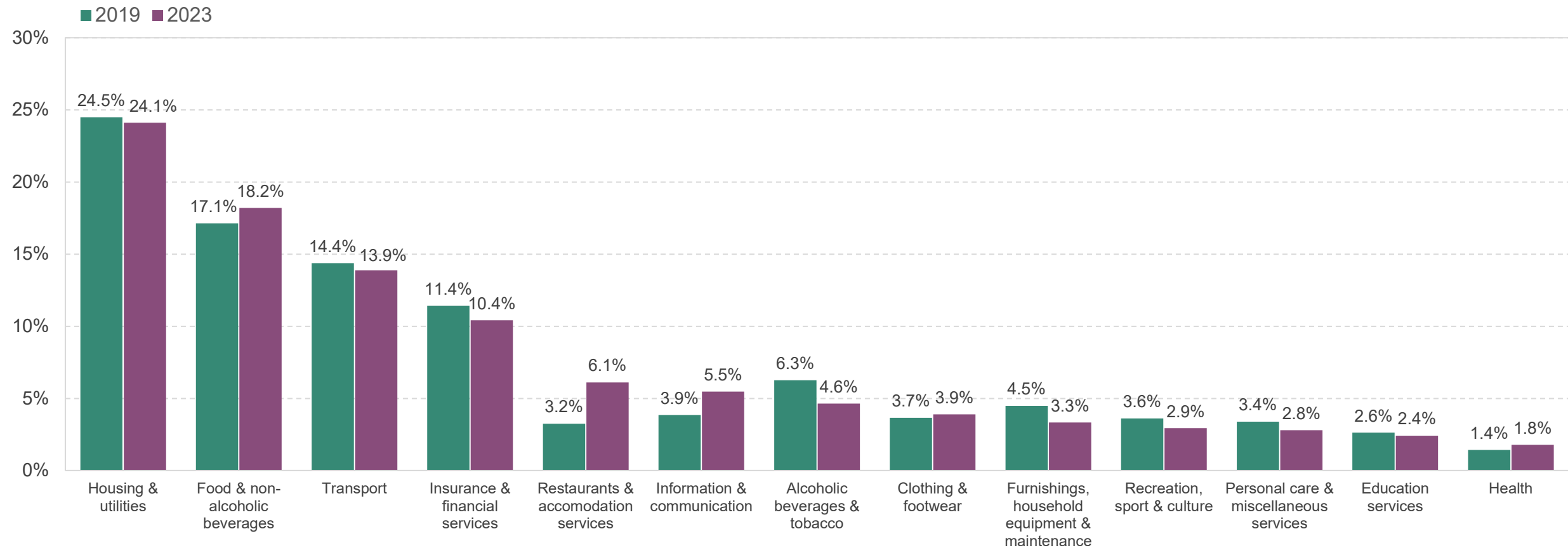
IMPROVING LIVES THROUGH DATA ECOSYSTEMS



Headline CPI weights

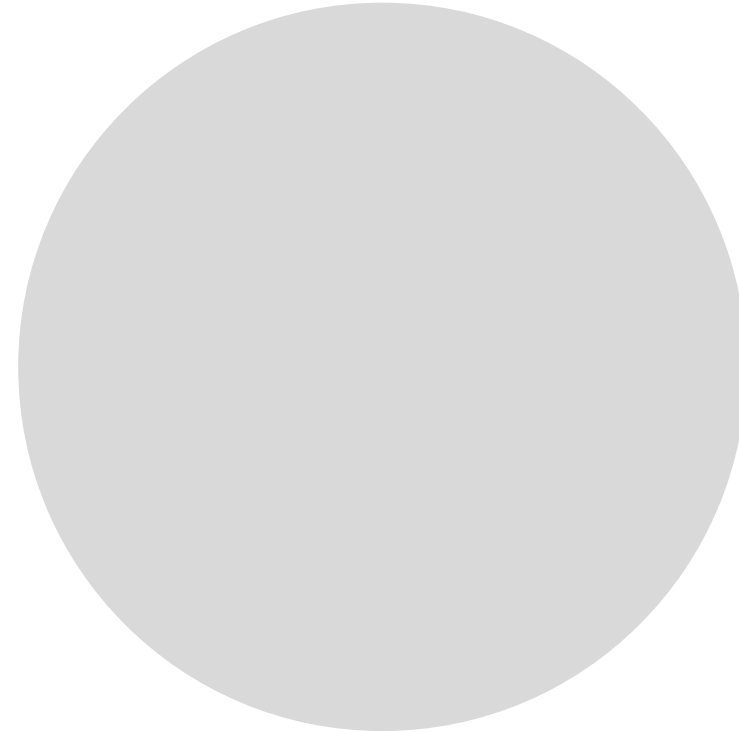
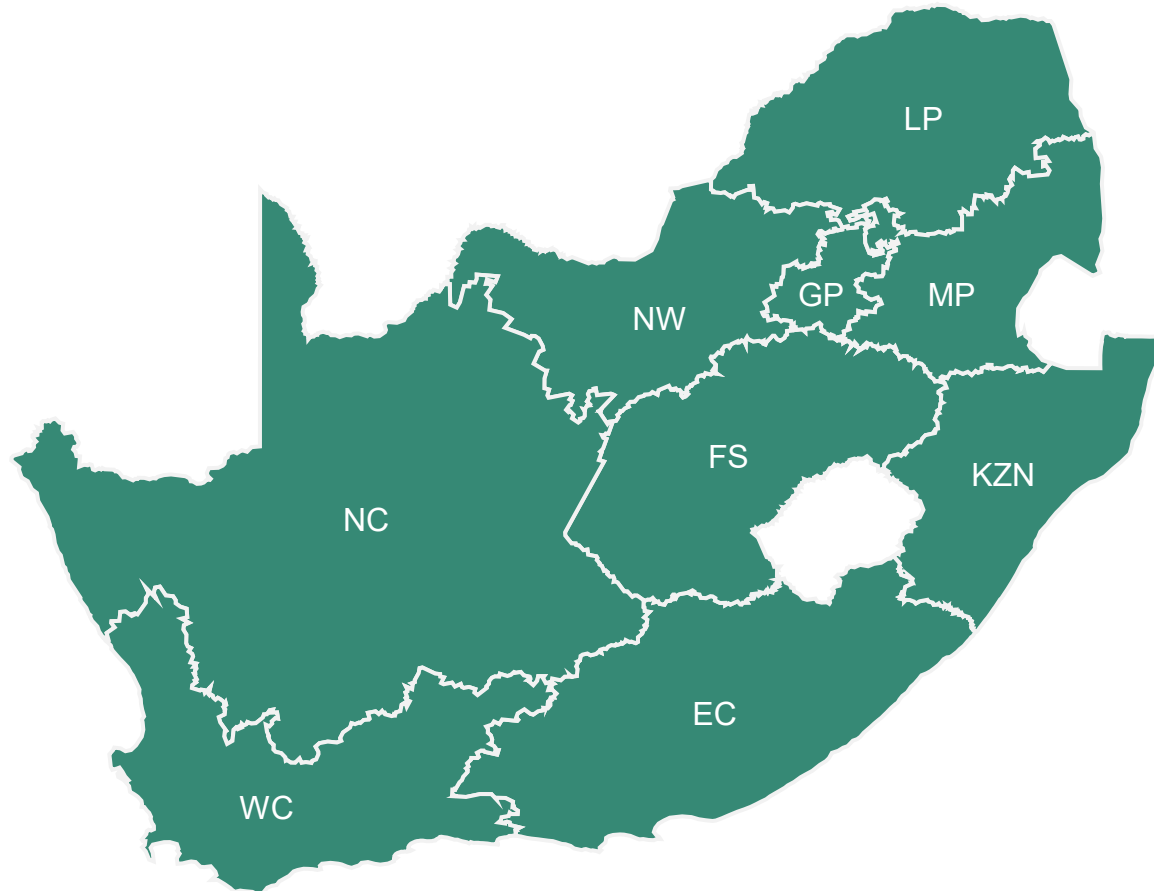


Data sources: Weights by main COICOP division



Provincial proportion of total expenditure

CPI



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

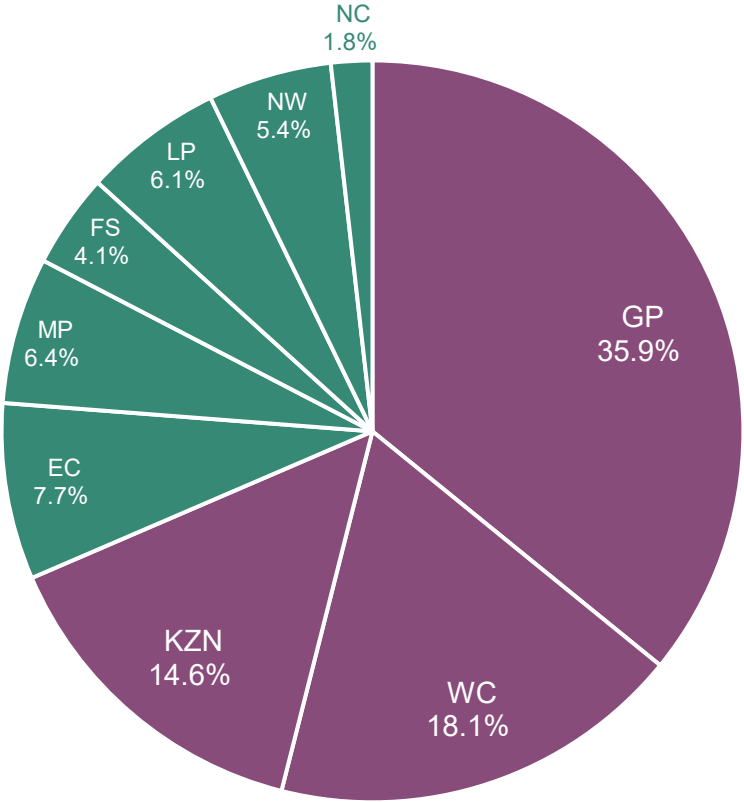
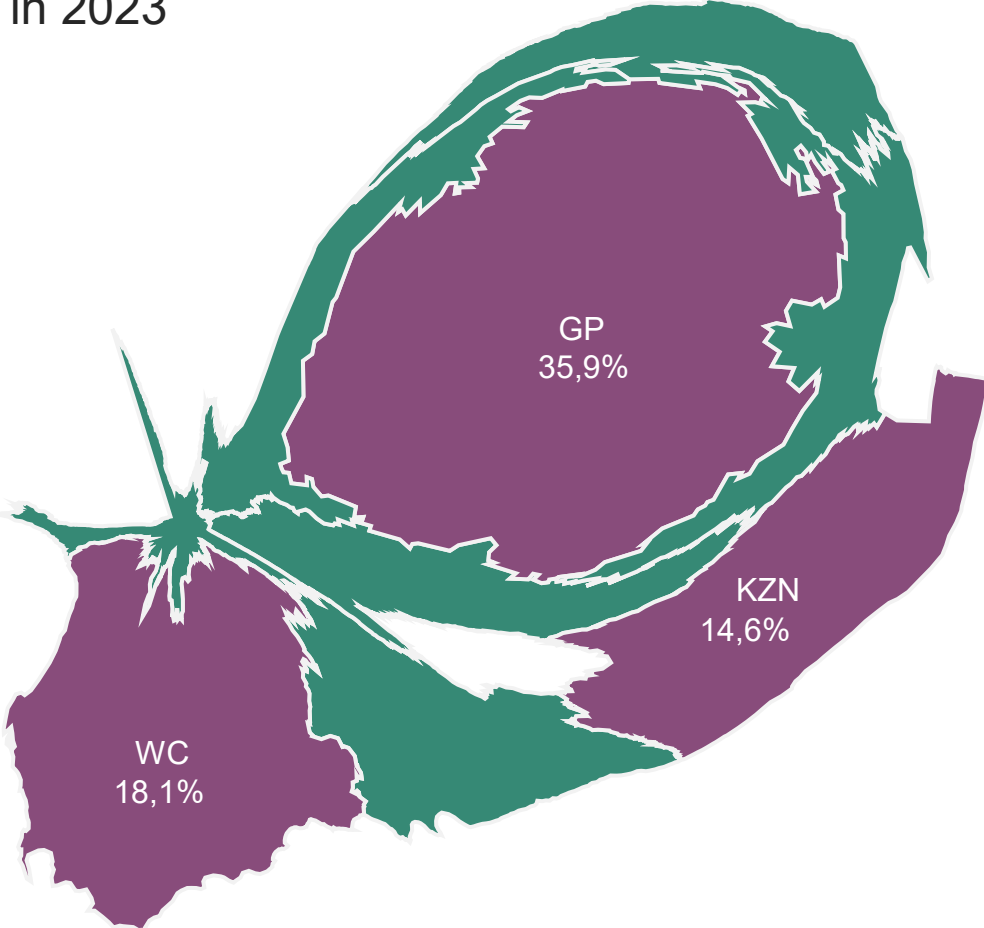
IMPROVING LIVES THROUGH DATA ECOSYSTEMS



Provincial proportion of total expenditure



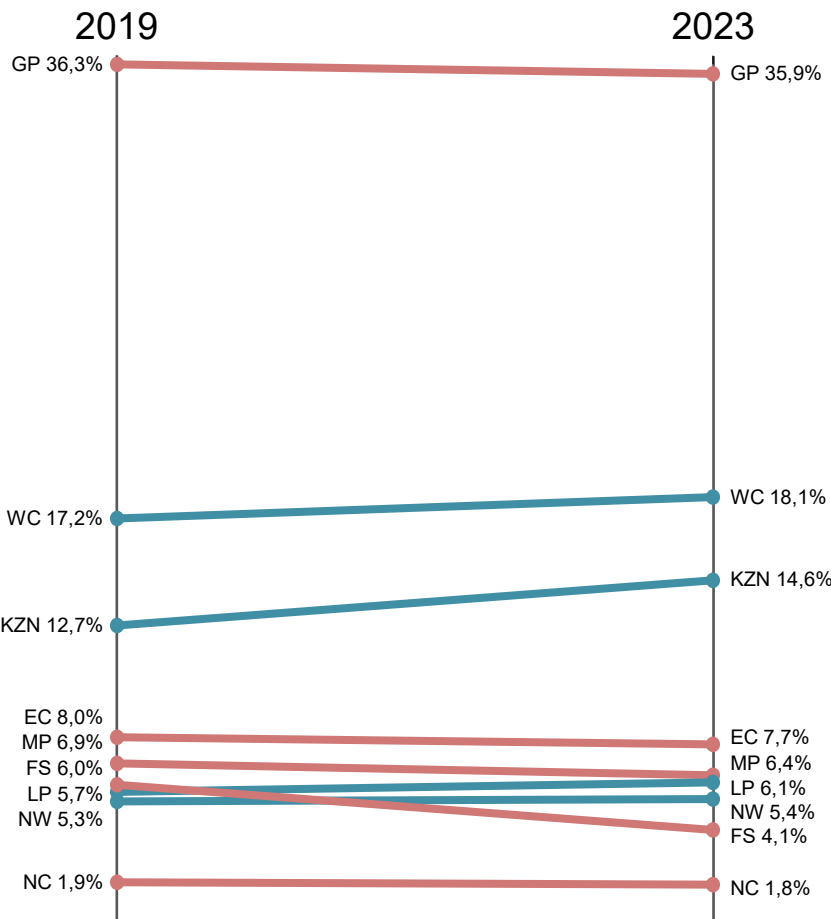
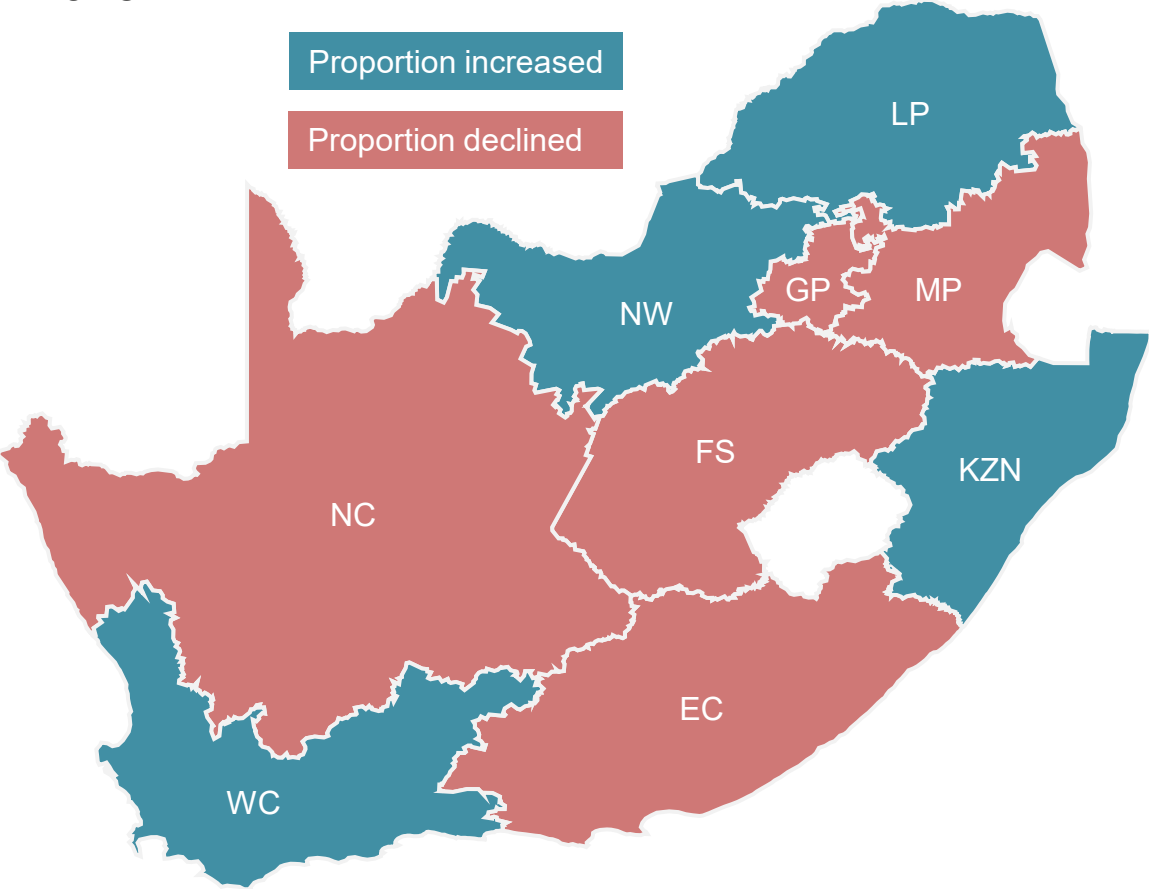
Proportion in 2023

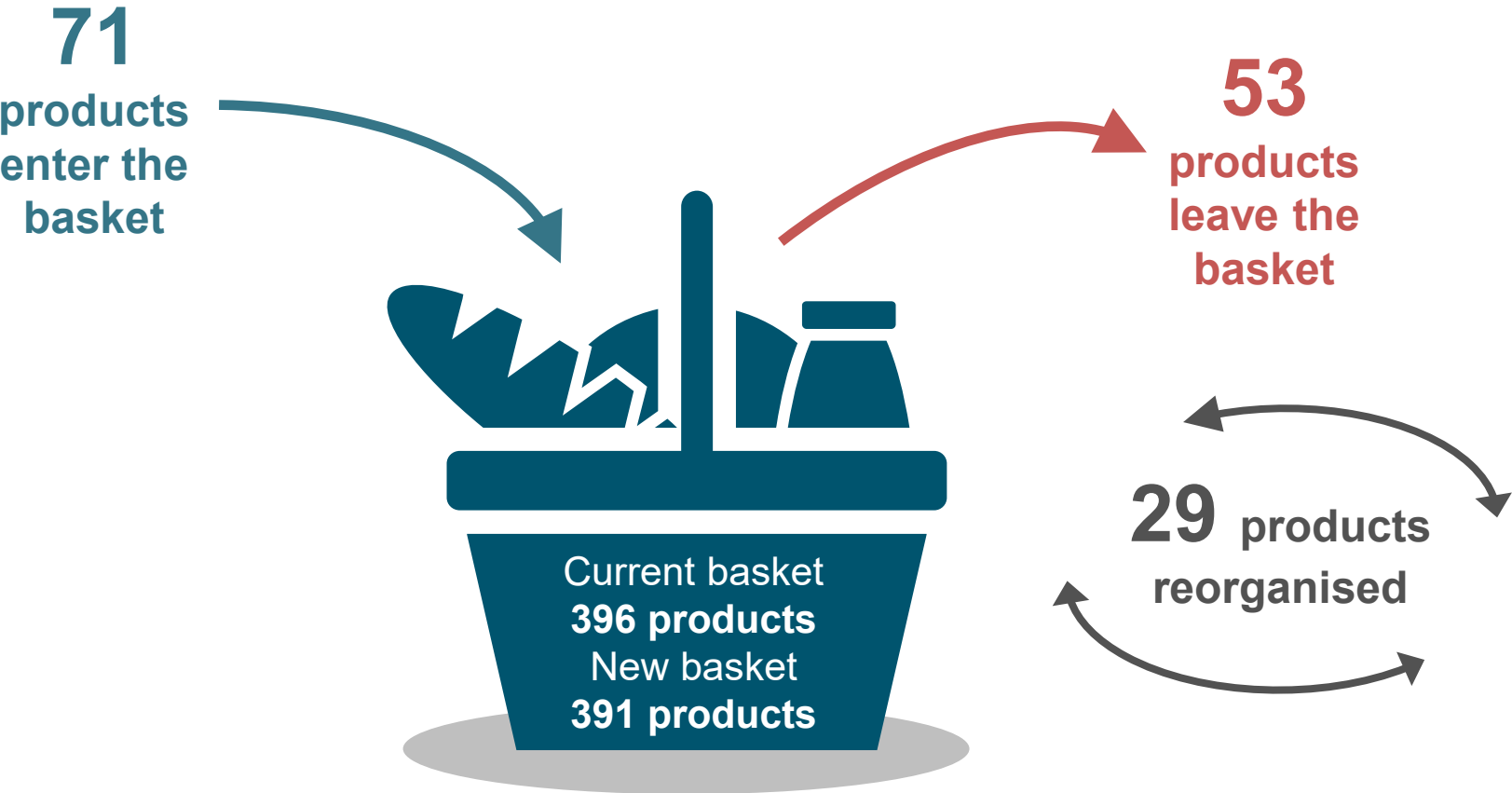


Provincial proportion of total expenditure



2019 to 2023

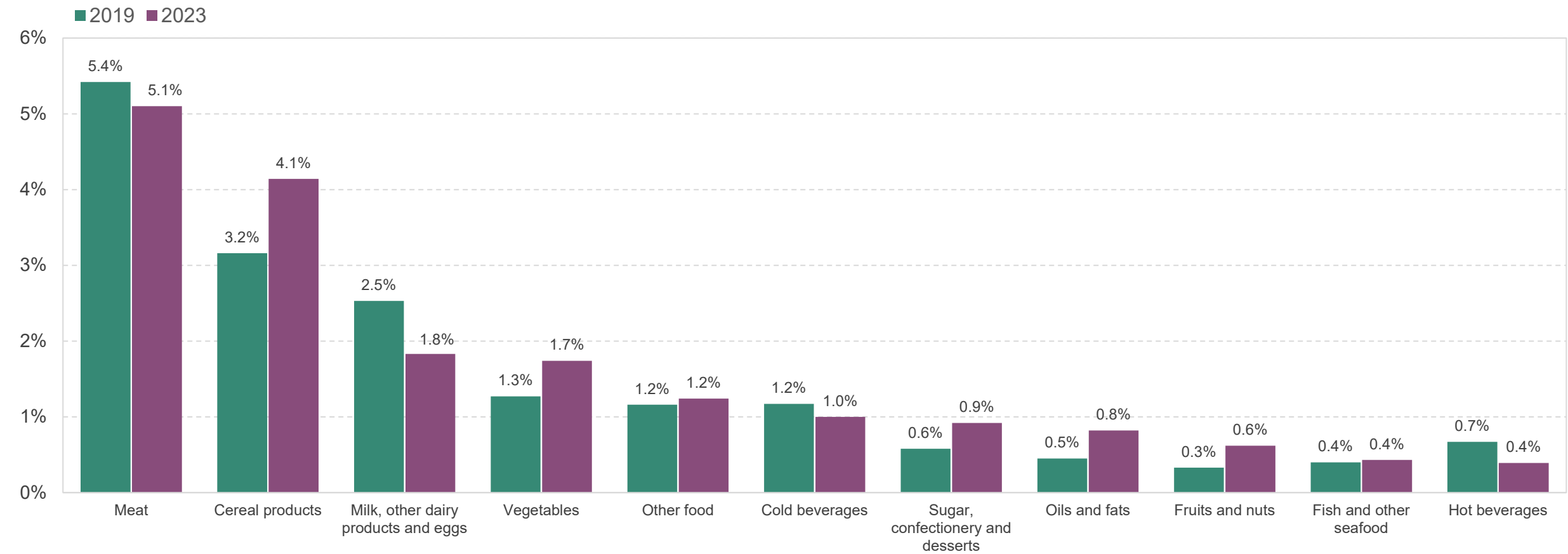




Food and non-alcoholic beverages



Change in product contributions from 2019 to 2023. Contribution for the entire category: 17,1% to 18,2%



Food and non-alcoholic beverages

CPI



Products entering the basket

Basmati rice



Sorghum meal



Meat bones



Boerewors



Viennas



Russians



Meat patties



Chicken nuggets & strips



Crumbed fish



Frozen shrimps & prawns



Parmesan cheese



Butter



Garlic



Honey



Ready-made meals



Natural spices/herbs



Olive oil



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS



Food and non-alcoholic beverages

CPI



Products **leaving** the basket

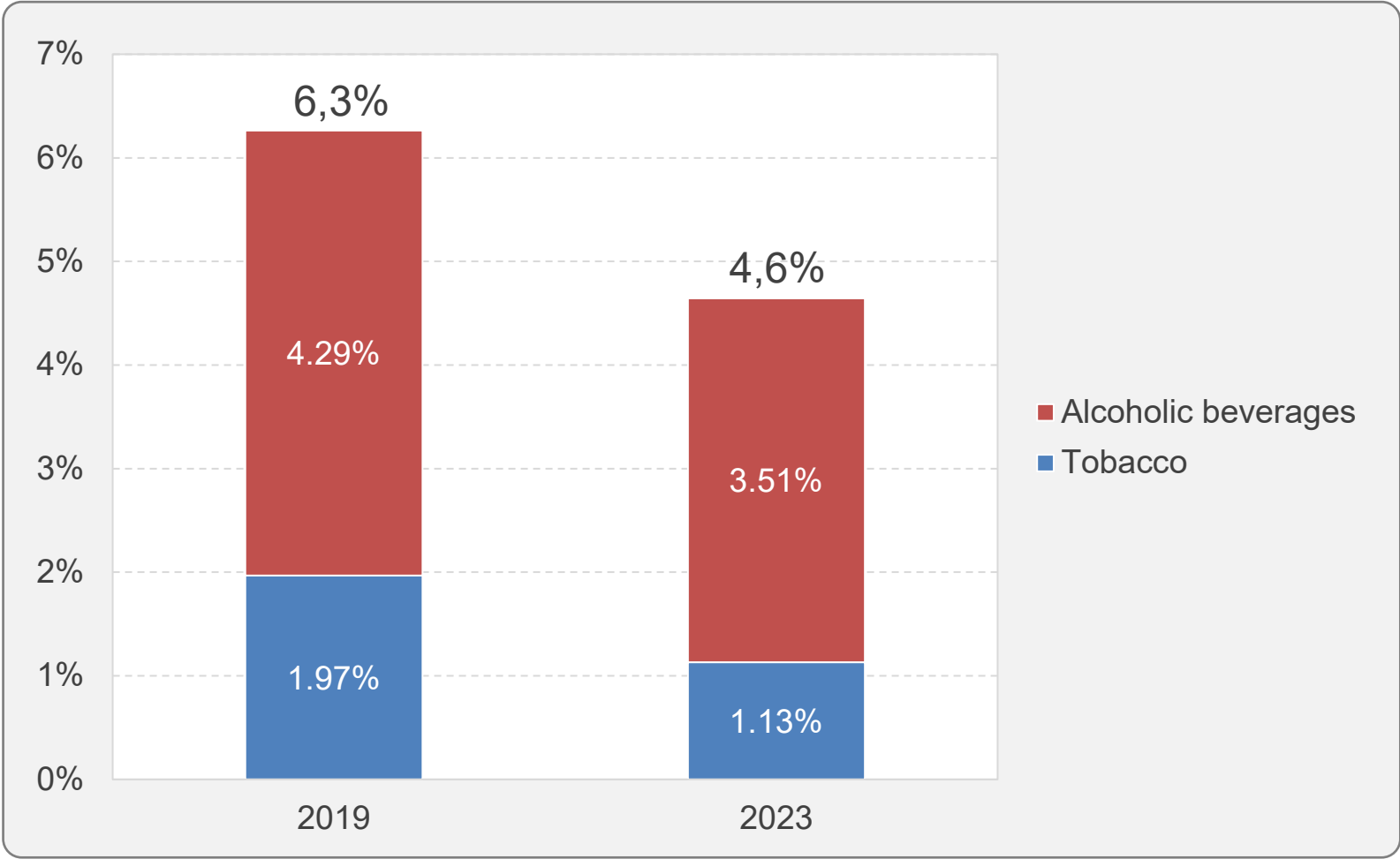


stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS



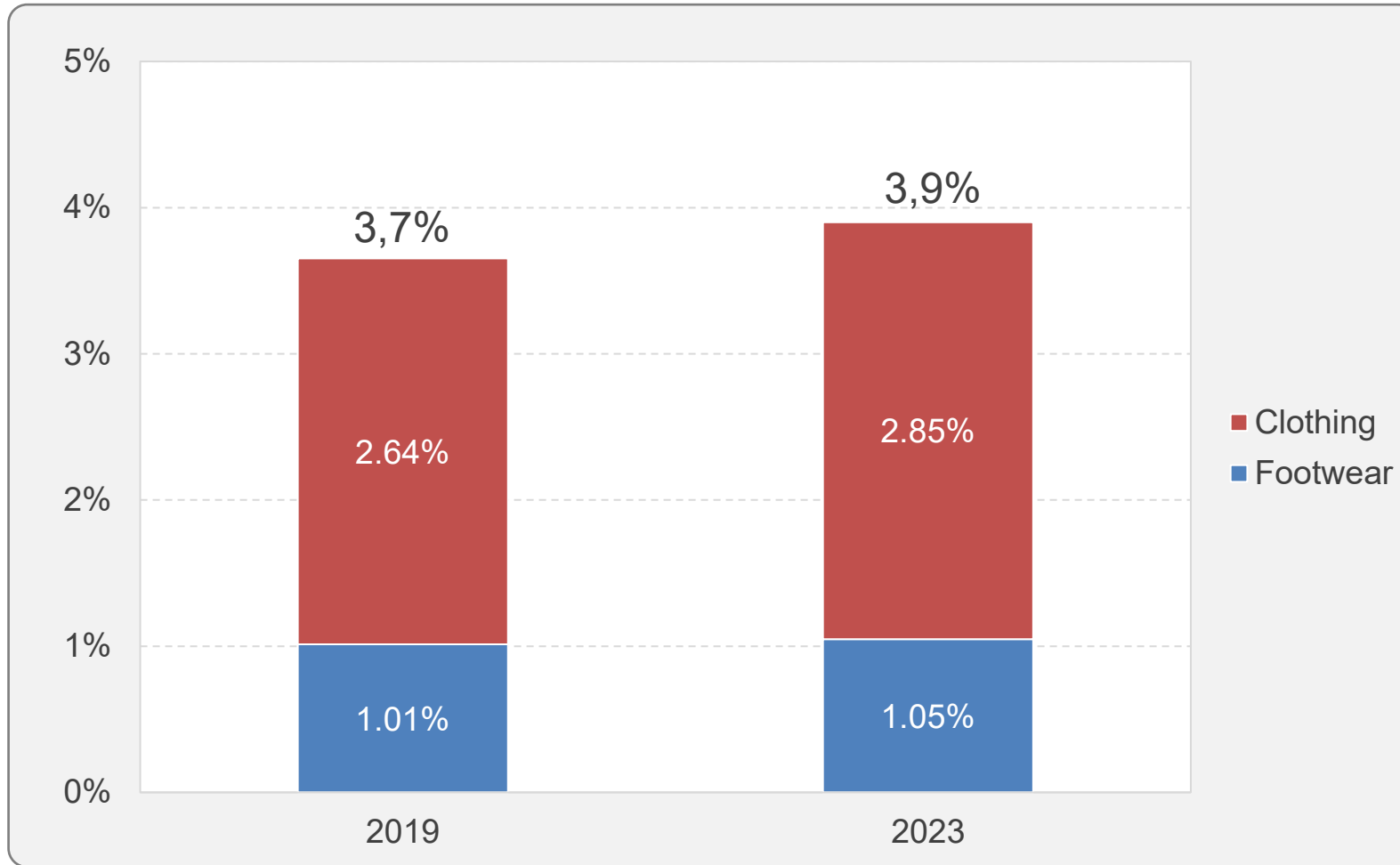




Products **entering** the basket



No products are **leaving** the basket



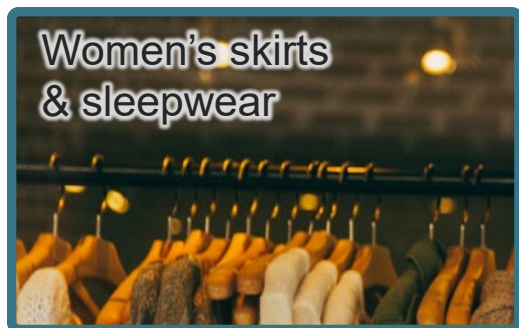
Clothing and footwear

CPI



Products **entering** the basket

Reorganised private sector classification system



- School shirts
- School jersey
- School trouser/shorts
- School skirts/dress
- School socks
- School shoes

Products **leaving** the basket

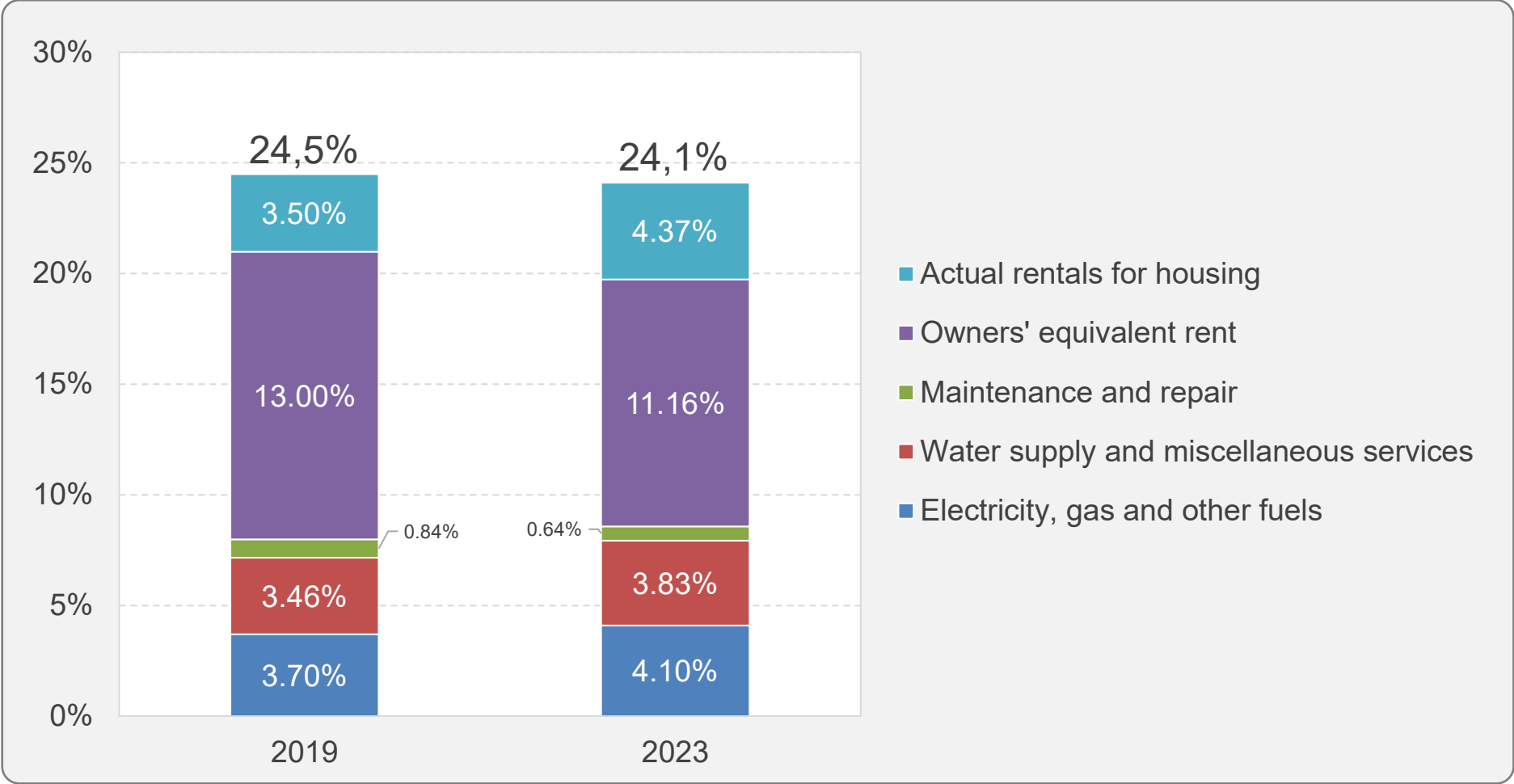


stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS





Housing and utilities

CPI



Products **entering** the basket

Refuse collection



Sewage removal



Gas in cylinders



Varnish



Paint brush



Products **leaving** the basket

Branding/chip board



Plaster



stats sa

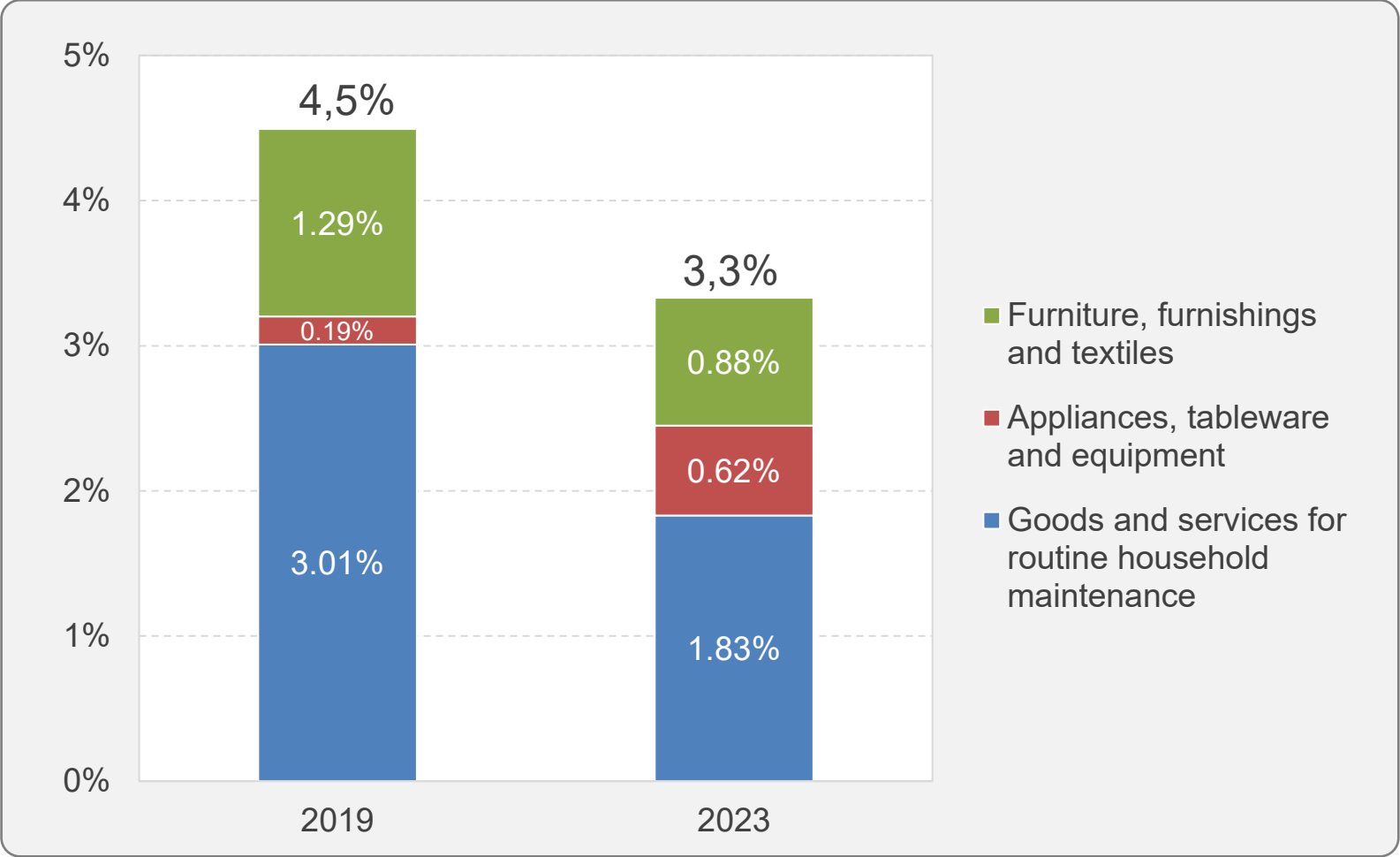
Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS



Furnishings, household equipment and routine maintenance

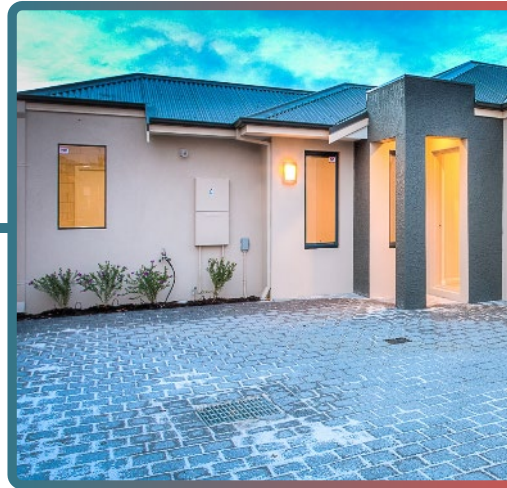
CPI





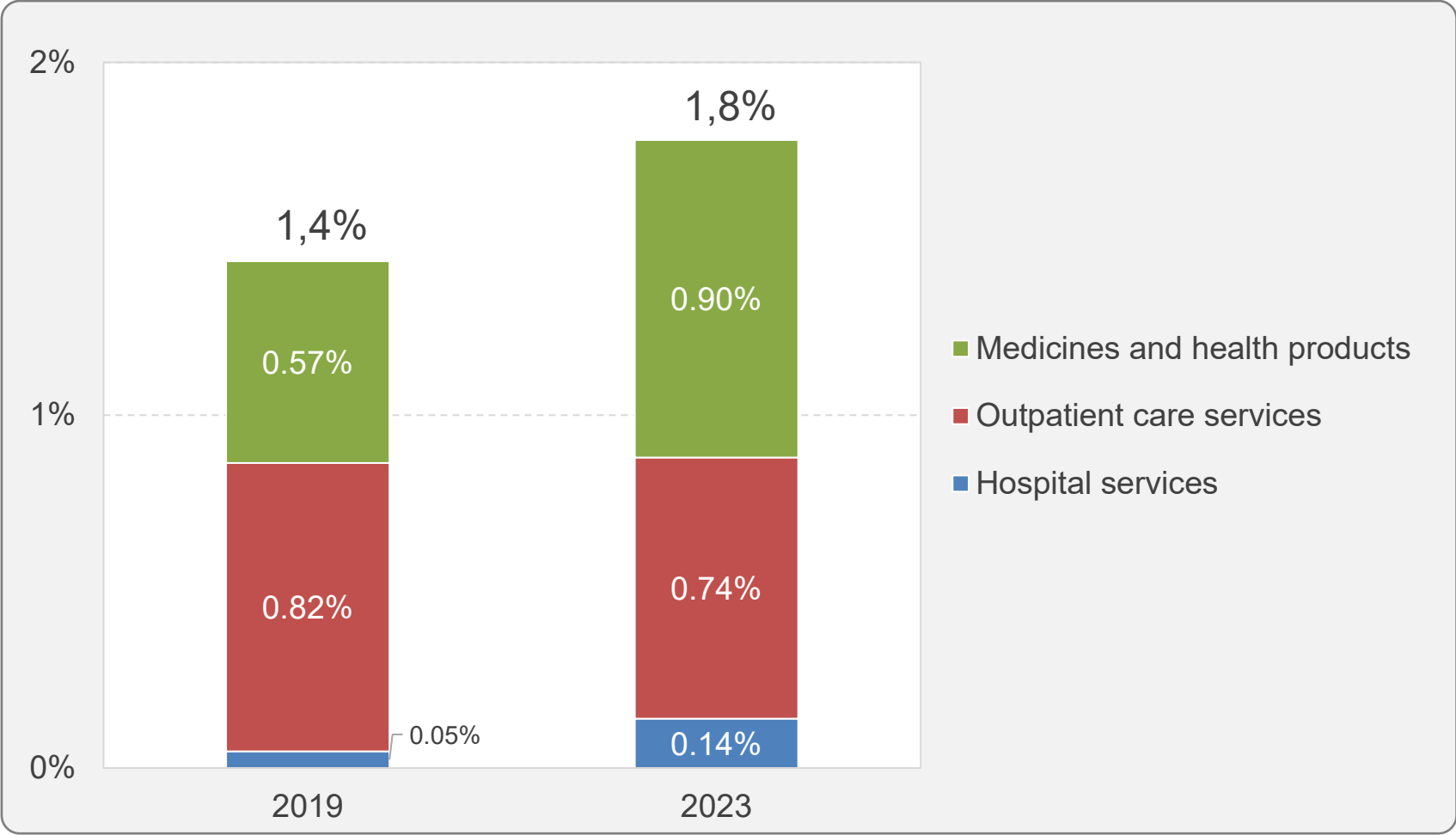
Products **entering** the basket

- Loose carpets and rugs
- Pillows
- Table cloth
- Towels
- Face cloth
- Air fryers
- Cooler box
- Refuse bags
- Candles



Products **leaving** the basket

- Toaster/sandwich maker
- Teaspoon
- Grater
- Garden water sprinkler
- Wax shoe polish
- Household batteries
- Insecticide





Products **entering** the basket*

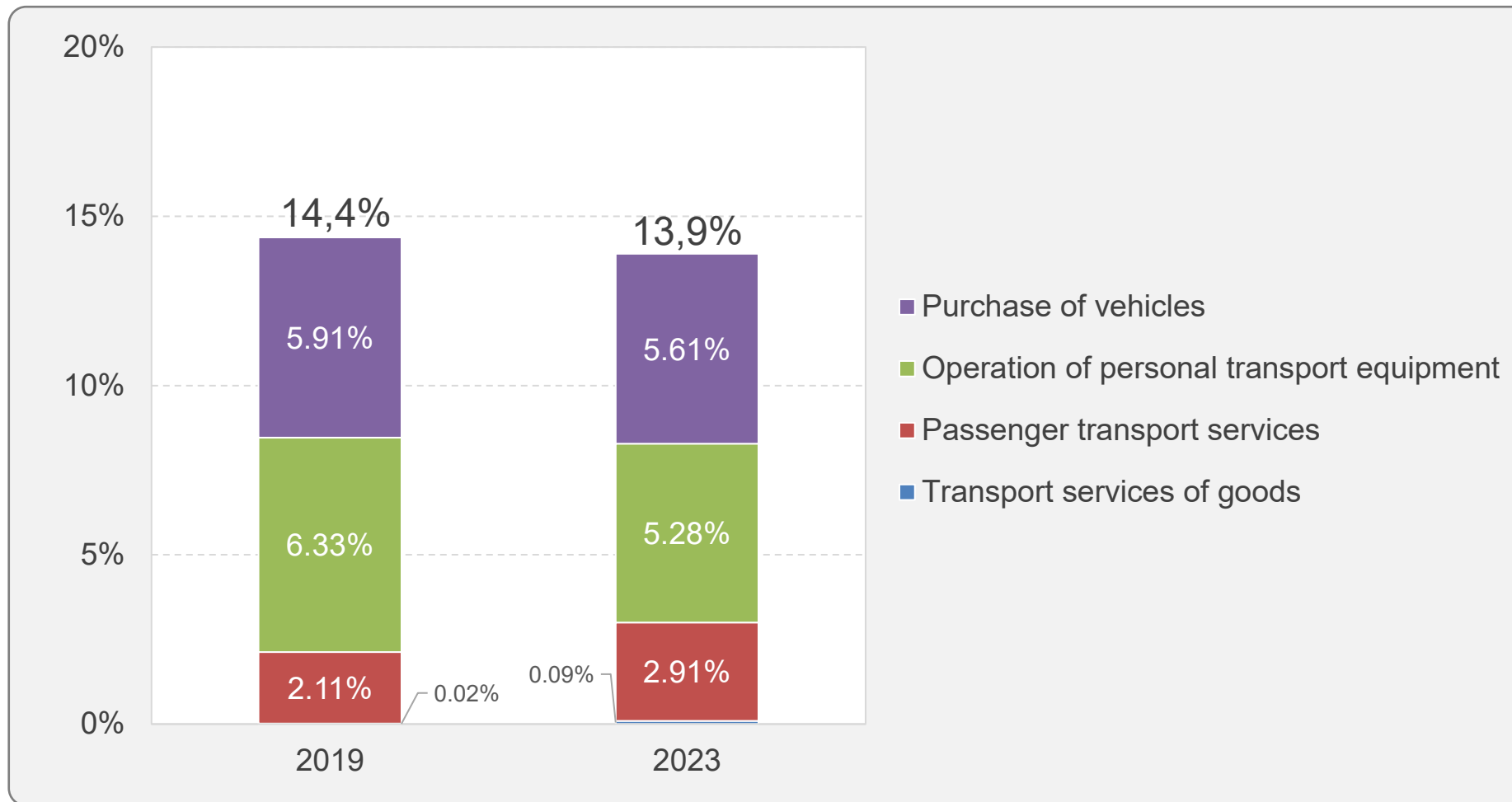
- Skin treatment
- Calming and mood enhancing treatment
- Condoms
- Spectacles, including contact lens
- Clinic services
- Orthopaedic surgeon
- Optometrists
- Physiotherapists
- Inpatient care centre
- Pathology services



Products **leaving** the basket

- Eye drops
- General practitioner – public sector
- Specialist – public sector

**Non-prescription pharmaceuticals reorganised using IQVIA Consumer Health Level 1 Classification*





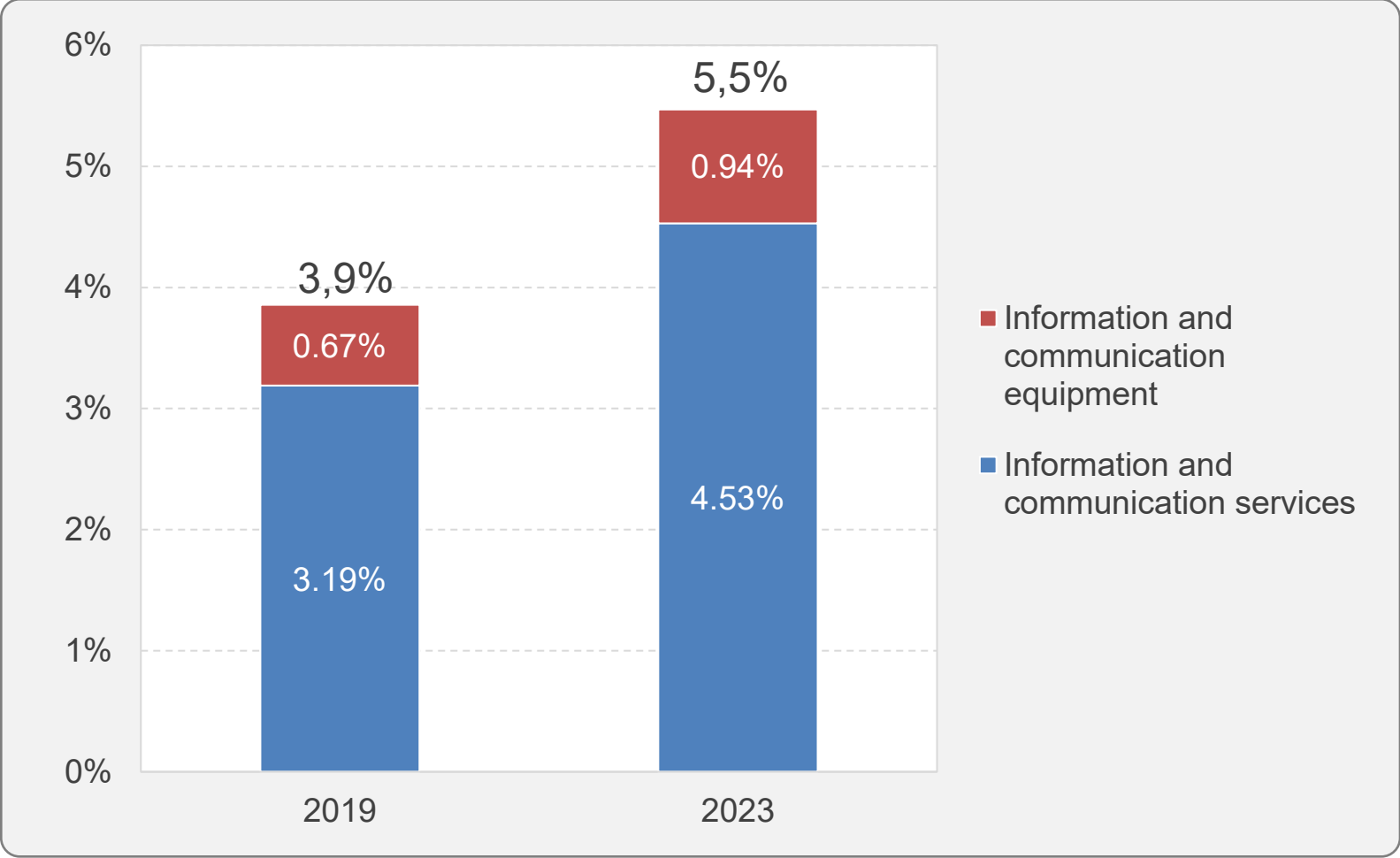
Products **entering** the basket

e-hailing services
School transport
Oil filter
Air filter
Lubricants



Products **leaving** the basket

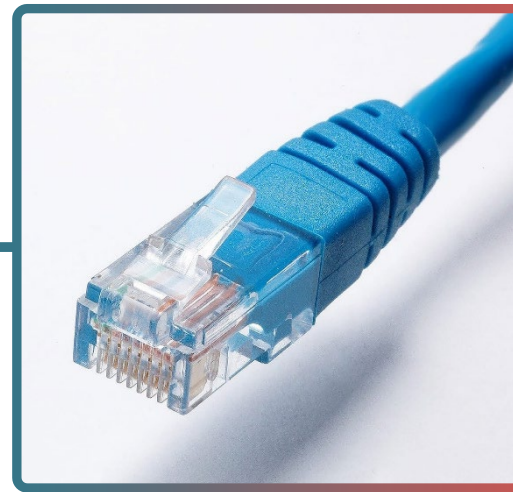
Shock absorbers
Driving licences
Rental of postbox





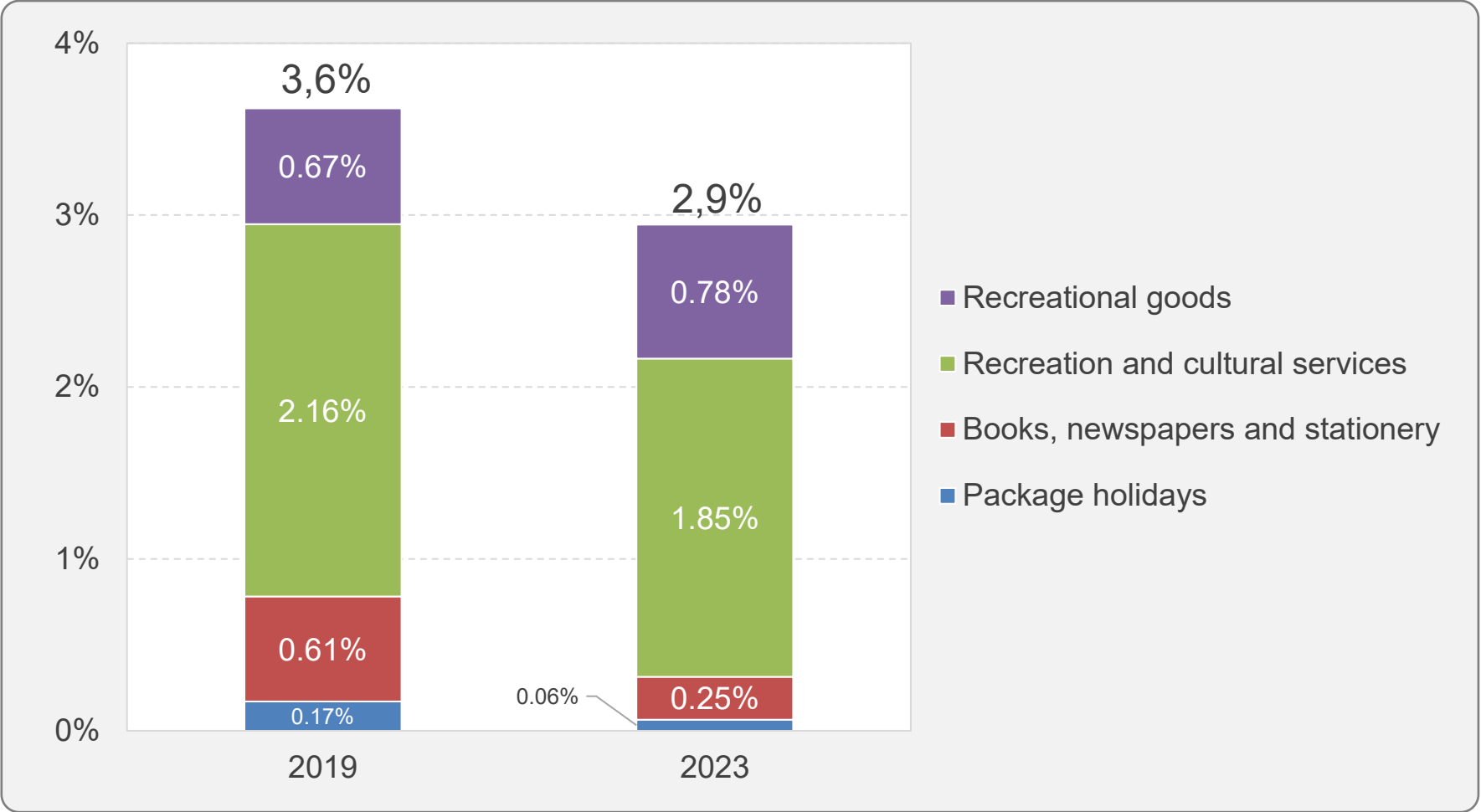
Products **entering** the basket

- Subscription to streaming services
- Modems and routers
- Calculators
- USB and external hard drives
- Power banks
- USB cable chargers



Products **leaving** the basket

- TV decoder
- Soundbar/speakers
- Telephone fees (landline)





Products **entering** the basket

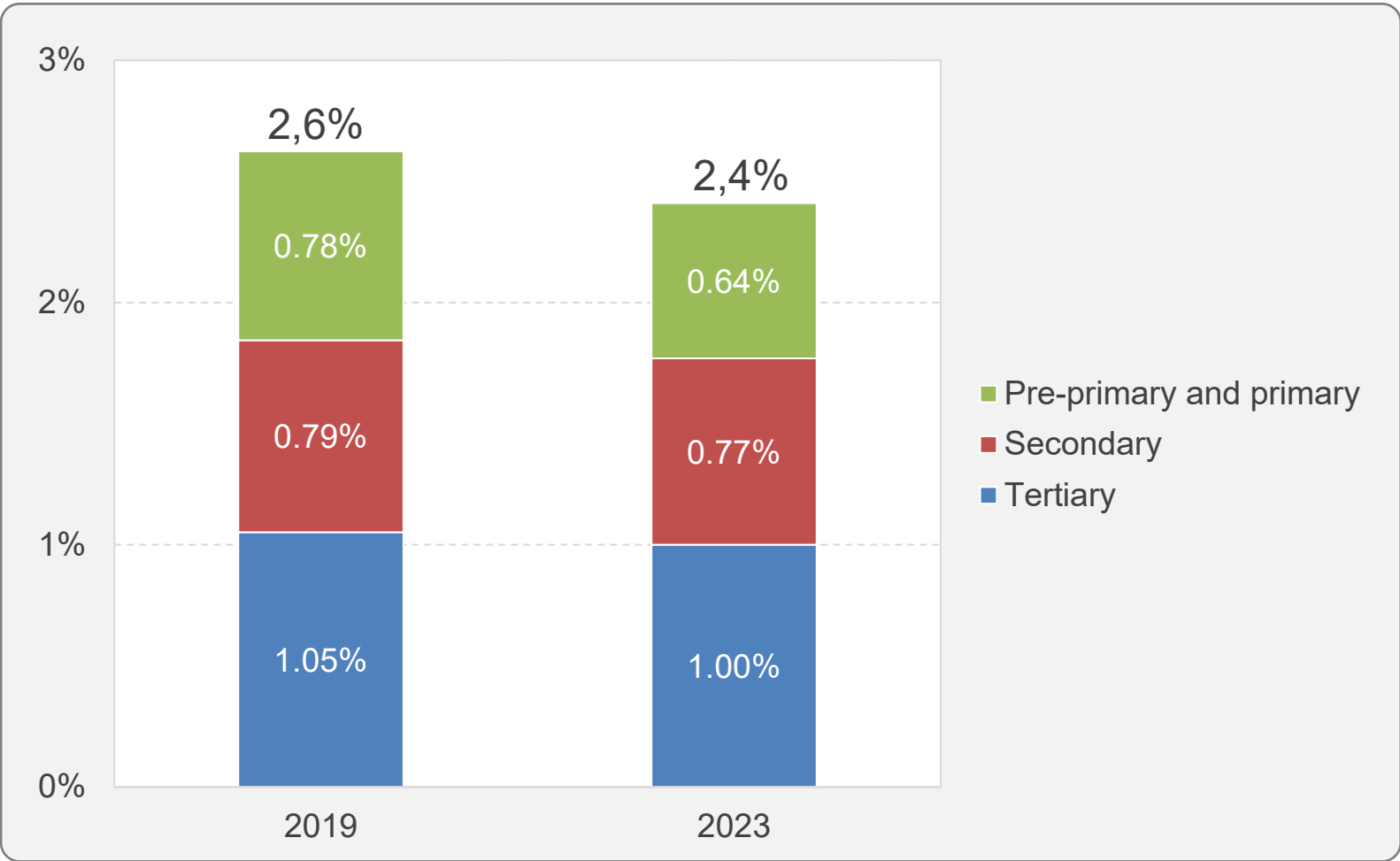


Toy building bricks



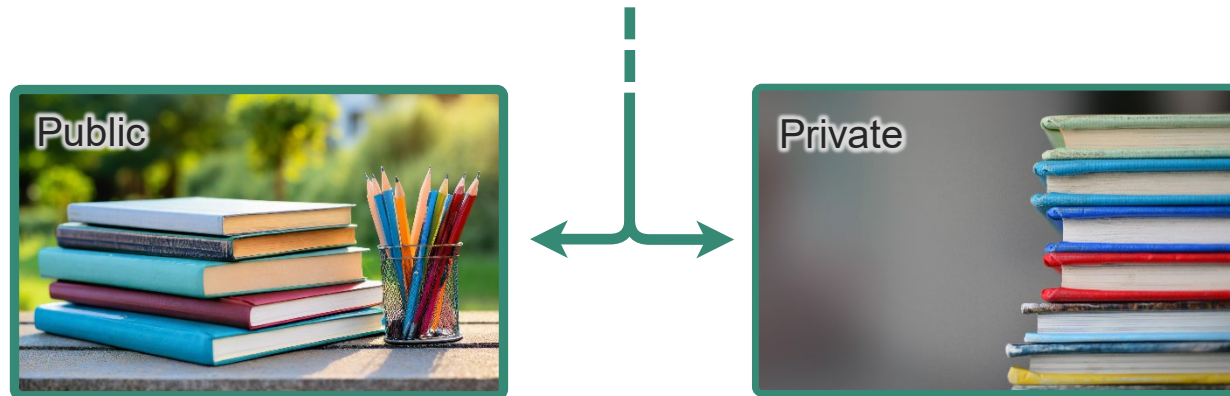
Products **leaving** the basket

- Digital camera
- Teddy bear
- Sleeping bag
- Plant pots
- Musical instruments
- Music CDs
- Magazines
- Pool brush or net
- Files
- Crayons
- Television licence



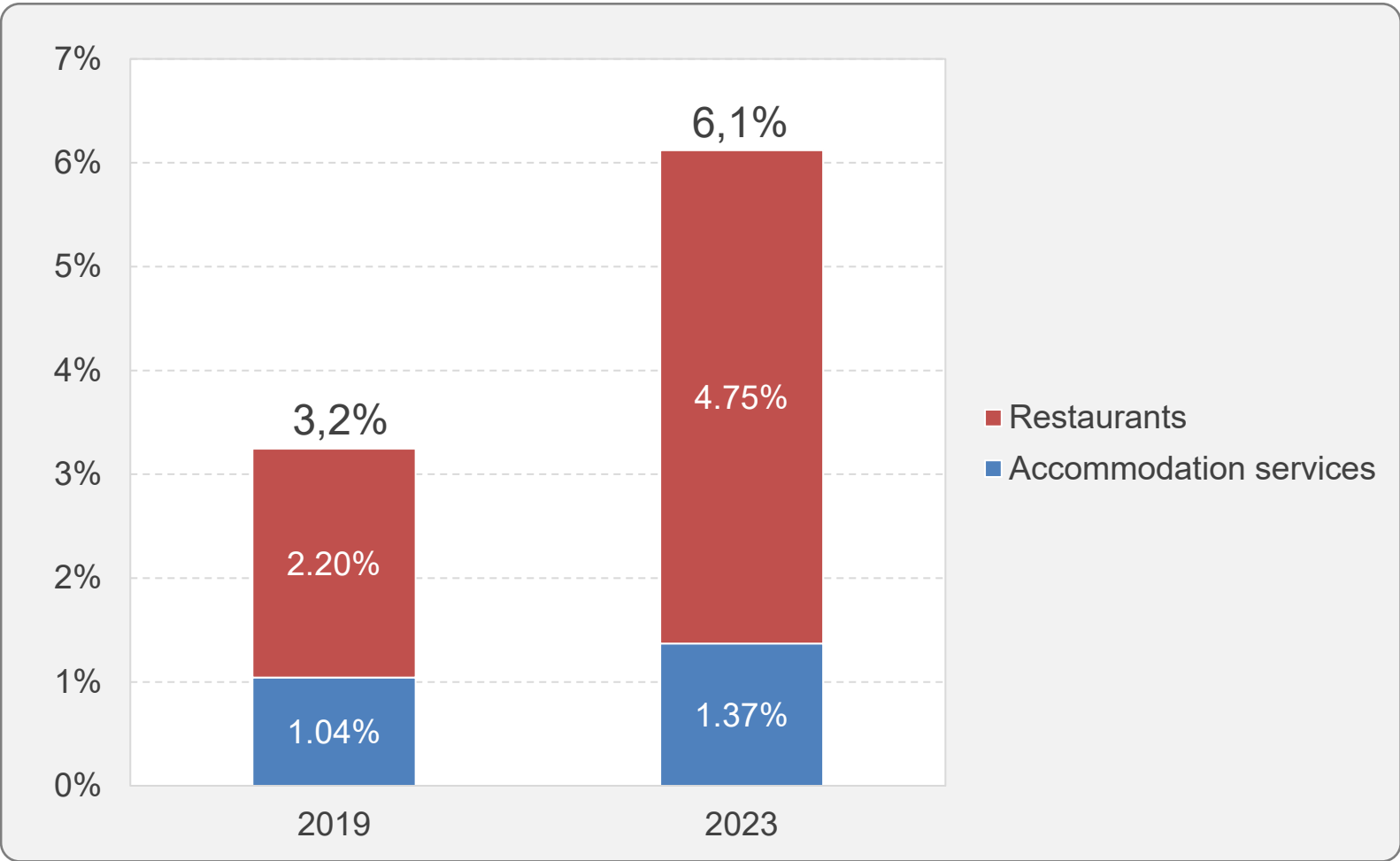


All education levels split between public and private institutions



Restaurant and accommodation services

CPI





Restaurants now split into:

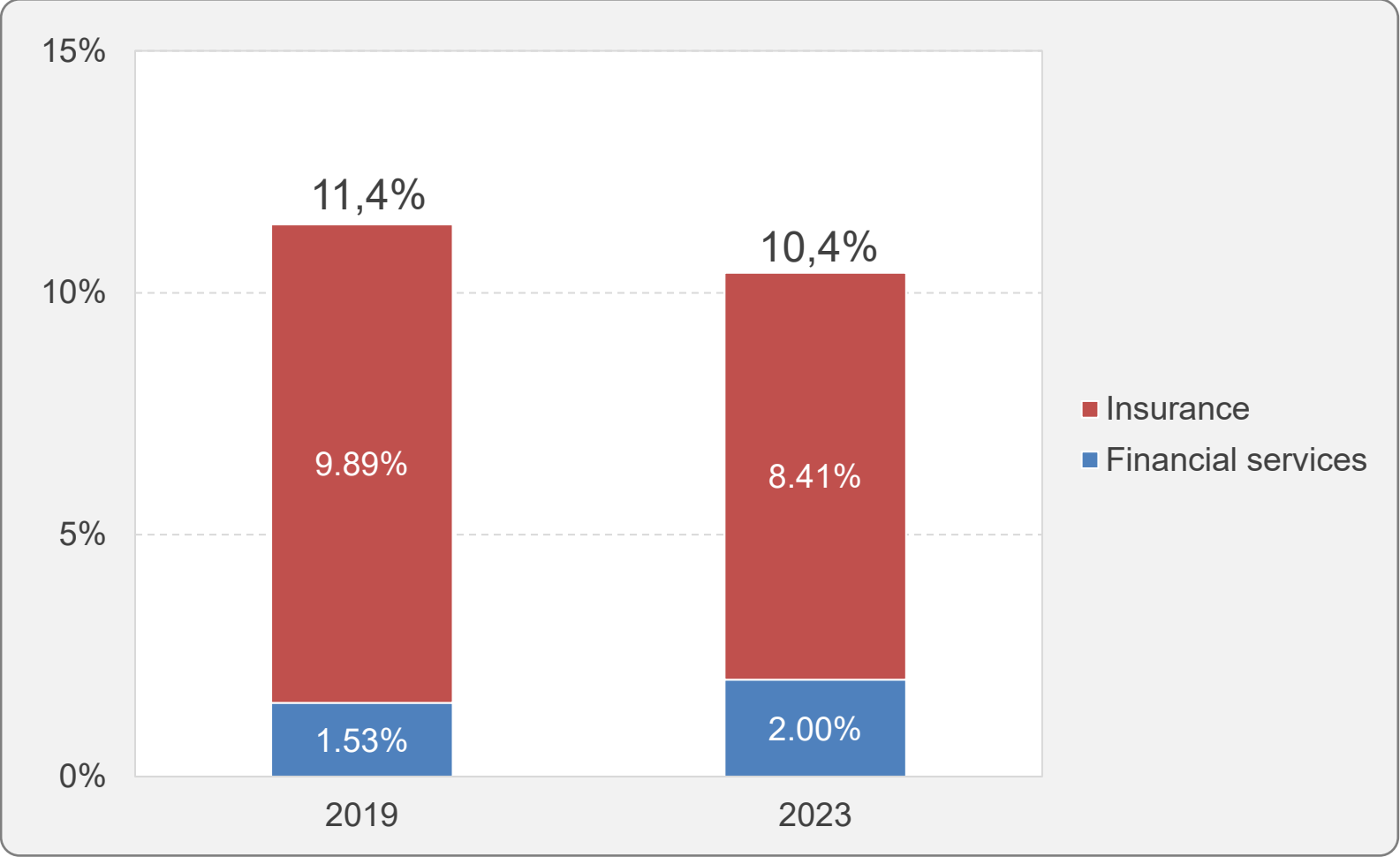


Full service

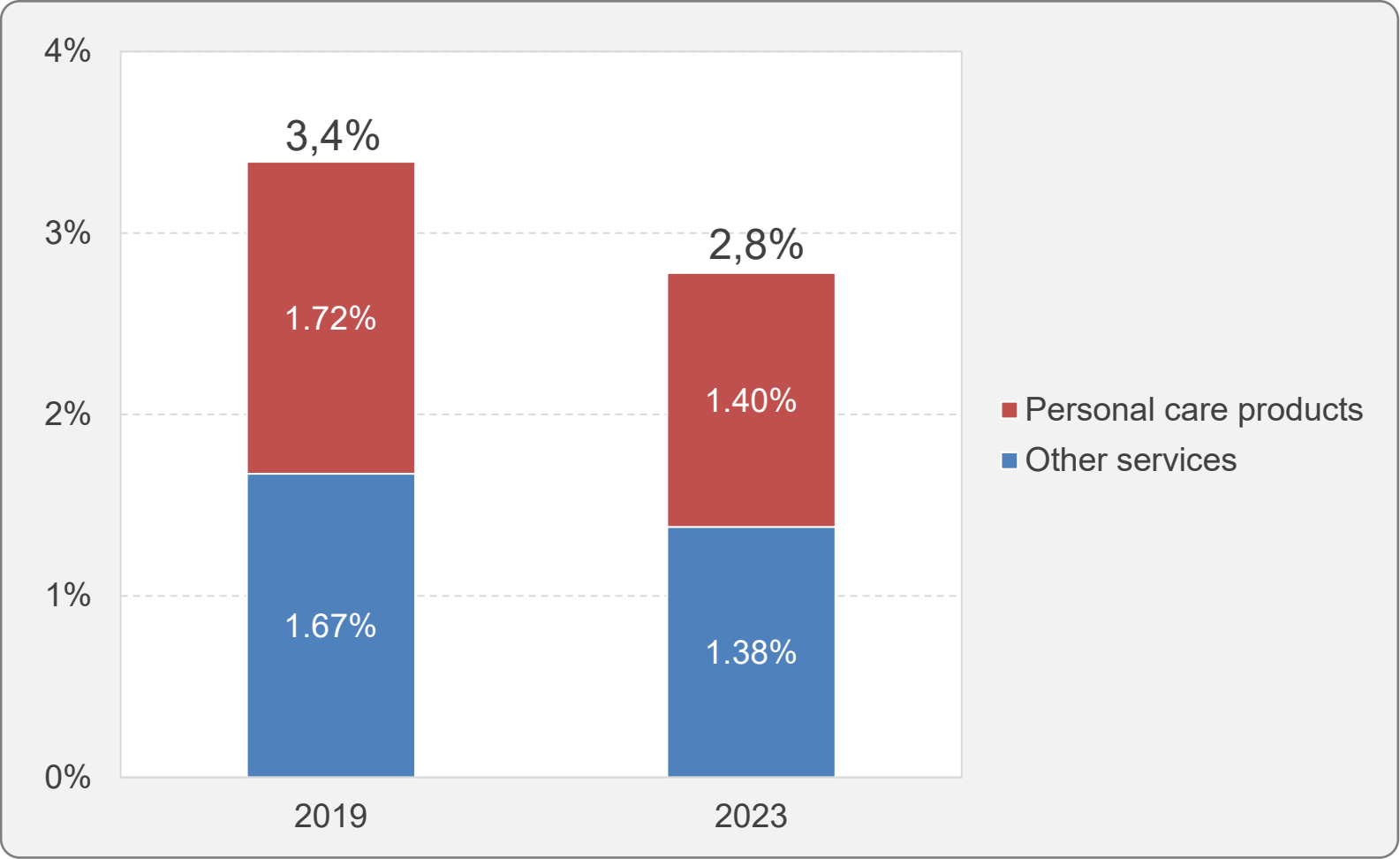
Take aways

Products **entering** the basket





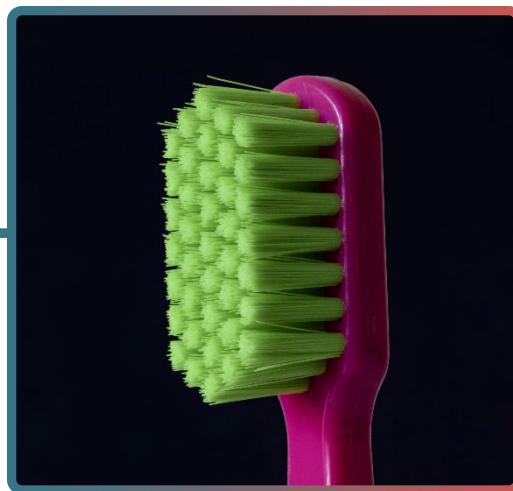
Personal care and miscellaneous services





Products **entering** the basket

After school centres
Membership fees for professional
associations and trade unions
Hiring of equipment for events
Body wash
Earrings



Products **leaving** the basket

Toothbrush
Non electrical shavers
Conditioner
Bubble bath
Tissues
Tampons
Hair colour
Powder
Wipes
Hair relaxer
Make up (foundation)



Today:

- Weights release (P0141.5)
- Note with information on the changes
- Concordance tables with new codes for Excel files
- Indicative time series with reclassified indices (forthcoming)

19 February:

- January 2025 CPI release (main + additional tables)
- All Excel files as usually published rebased to December 2024=100
- Updated sources and methods document

CPI '25



Thank you



stats sa

Department:
Statistics South Africa
REPUBLIC OF SOUTH AFRICA

IMPROVING LIVES THROUGH DATA ECOSYSTEMS

