Cape Verde

A: Identification

Title of the CPI: Consumer Price Index

Organisation responsible: National Institute of Statistics

Periodicity: Monthly

Index reference period: 2007 = 100

Weights reference period: 2001/2002 Household Expenditure survey.

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 , macroeconomic modelling and other analytic uses.

B: CPI Coverage

Geographical Coverage

Weights: Nation-wide

Price collection: Nation-wide

Population coverage: Resident households of nationals.

C: Concepts, definitions, classifications and weights

Definition of the CPI and its objectives: The Consumer Price Index (CPI) is an indicator that aims to measure changes over time in the prices of a set of goods and services considered representative of the consumption structure of the resident population in Cape Verde.

Classification: COICOP (Classification of individual consumption by purpose)

Sources of weights: Household expenditure surveys and administrative sources.

Frequency of weight updates: Above 5 years

Price updating of weight reference period to the index reference period: Weights are price updated for example the weighting structure adopted, reflects the average amounts consumed during the survey (2001/2002) valued at average prices of the base year (reference prices index).

D: Sample design

Sampling methods:

Products: Cut-off sampling (the elements with the highest sales or value of other auxiliary variable are included into the sample)

Criteria used for determining the optimal sample sizes and the coverage of localities, outlets, items and variety samples: Outlet selection: Outlets are selected based on the Economic Activities (NACE) for the Retail Trade and Services. Its use enables: the link to statistics companies (improving the representativeness of the sample of outlets for different types of trade and services), the clear association of goods and services (CCIO) in the basket to points of sale, and the adoption of procedures more stringent when replacement is necessary for points of sale.

Item selection: The list of representative products for the price collection in the calculation of the CPI was based on the estimated expenditure from household expenditure survey. The criteria used for item inclusion was items with a total value of annual consumption greater than or equal to 0.001% of total expenditure and items with a value below this threshold to ensure the compilation indices for a given sub-subgroup.

E: Data Collection

Frequency with which prices are collected: Periodicity of price collection depends on the type of goods and services. In particular, unprocessed food i.e vegetables, fruits and fish are subject to monthly collection. Infrastructure and products in the short term are observed quarterly. A small number of goods and services, which traditionally suffer a single price update in the calendar year, is observed on an annual basis. For other varieties monthly monitoring of the prices is adopted.

Methods of Price Collection

- Personal data collection

Treatment of:

Discounts and sales prices: Bargain prices, promotions and other price reductions without restriction to generality of consumers are considered in the CPI calculation.

Treatment of seasonal items and seasonality

Treatment of housing

F: Computation

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

Formula to aggregate elementary indices to higher level indices: Elementary indices are aggregated into higher level indices using the Laspeyre's formula.

Formula of aggregating regional/population group indices into national index: The calculation of the monthly national index is done in the following steps: i) calculation of average prices in regions; ii) calculation of rates of elementary-level regional varieties; iii) aggregation for the sub-indices and index total regional; and iv) aggregation for the sub-indices and index the national total. The methodology for calculating the national CPI is the aggregation of regional indices.

Monthly and annual average prices: Average prices for regional elementary item is obtained from the arithmetic average of the average prices weighted by coefficients population.

G: Editing and validation procedures

H: Documentation and dissemination

Timeliness of dissemination of the CPI data: The CPI data is disseminated on the 10th day after the reference month.

Level of detailed CPI published

Paper publication: All items CPI, Division-level (12 Divisions)

Online: All items CPI, Division-level (12 Divisions)

Documentation

Publications and websites where indices can be found: Flash Report (Folha de Informação Rápida—FIR), (in Portuguese); Annual Prices Bulletin (Boletim Anual de Preços) (in Portuguese); Internet website: www.ine.cv (in Portuguese)

Publications and websites where methodological information can be found: Methodological information is detailed in "O Índice de Preços no Consumidor (IPC)2Série IPC07 (2007=100)" published Janeiro de 2008 (in Portuguese). Link to methodology: http://www.ine.cv/actualise/destaques/files/3e7ffbd6-b78e-4f63-9152-8b9cd771b665nota%20metodologica%20do%20IPC.pdf .

I: Other Information

Completed by ILO in 2013.