

# Lesotho

## A: Identification

**Title of the CPI:** Consumer Price Index

**Organisation responsible:** Ministry of Finance and Bureau of Statistics.

**Periodicity:** Monthly

**Index reference period:** March 2010 = 100

**Weights reference period:** 2002/2003 Household Budget Survey (HBS).

**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 and computation of purchasing power of households.

## B: CPI Coverage

### Geographical Coverage

*Weights:* Nation-wide

*Price collection:* Nation-wide

**Population coverage:** Resident households of nationals.

### Consumption expenditure includes:

- Housing maintenance, minor repairs;
- Financial services (including fees for financial advice, brokerage fees);
- Non-life insurance premiums (e.g. vehicle, housing, other property, medical), gross of claims;
- Life insurance premiums

## C: Concepts, definitions, classifications and weights

**Definition of the CPI and its objectives:** The consumer price index is a measure of the change in the cost of a fixed basket of goods and services purchased by the private consumer, and it is the official measure of inflation in the country.

**Classification:** COICOP (Classification of individual consumption by purpose) with 12 divisions.

**Sources of weights:** Household expenditure surveys.

**Frequency of weight updates:** Every 3-5 years

## D: Sample design

## E: Data Collection

**Approximate number of localities, outlets and price observations:** Outlets: 780, Price observations: 15,000

**Frequency with which prices are collected:** Food and non-food items – monthly; Prices for water, electricity and telephone charges are collected on annual basis; Government health centers are visited once when there is a change in hospital fees; Schools are also visited once at the beginning of the year.

**Reference period for data collection:** The reference period for data collection on food and non-food items is the first week of every month while for water, electricity and telephone charges is January every year.

### Methods of Price Collection

- Personal data collection
- Official tariffs

### Treatment of:

**Missing or faulty prices:** The temporarily missing observation is imputed using the growth rate of the same item obtained from those outlets where the item is available.

**Disappearance of a given type or quality from the market:** Replacement is done for items which are permanently unavailable from the market. Replacement is made considering the item brands where possible, if not available; the weights are reallocated among the existing items.

### Treatment of seasonal items and seasonality

### Treatment of housing

## F: Computation

**Formula used for calculation of elementary indices:** The ratio of geometric mean prices (Jevons index) (Chained form)

**Formula to aggregate elementary indices to higher level indices:** The modified Laspeyres index formula is used to aggregate the elementary indices into higher level indices.

## G: Editing and validation procedures

## H: Documentation and dissemination

**Timeliness of dissemination of the CPI data:** The monthly CPI is released on the 20th day of the month following the reference month.

### **Level of detailed CPI published**

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

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

### **Documentation**

**Publications and websites where indices can be found:** BOS CPI Monthly Report available at <http://www.bos.gov.ls/>

**Publications and websites where methodological information can be found:** <http://www.bos.gov.ls/>

### **I: Other Information**

Completed by ILO in 2013.