

Mozambique

A: Identification

Title of the CPI: Índice de Preços No Consumidor (Consumer Price Index)

Organisation responsible: Instituto Nacional de Estatística

Periodicity: Monthly

Index reference period: Dec.2010=100

Weights reference period: 2008/2009

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, macroeconomic modelling and other analytic uses.

B: CPI Coverage

Geographical Coverage

Weights: Nation-wide

Price collection: Urban areas

Population coverage: Resident households of nationals and resident households of foreigners in the country.

Population groups excluded: Institutional households.

Consumption expenditure includes:

- Food consumed away from home;
- Housing maintenance, minor repairs;
- Second hand goods purchased;
- 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)

Consumption expenditure excludes:

- Foods produced for own final consumption;
- Other goods produced for own final consumption;
- Services produced for own final consumption;
- Income in-kind receipts of goods;
- Income in-kind receipts of services;

- In-kind goods received as gifts;
- In-kind services received as gifts;
- Purchase of owner-occupied housing;
- Mortgage repayments;
- Mortgage interest;
- Major repairs, conversions and extensions to owner occupied housing;
- Purchase of gifts of goods and services given to others outside the household;
- Luxury goods;
- Financial services (including fees for financial advice, brokerage fees);
- Interest payments (excluding mortgage interest payments);
- Life insurance premiums;
- Gambling expenditure, gross of winnings;
- Investment-related expenditures (e.g. purchase of shares/stocks);
- Occupational expenditures;
- Other business-related expenditures;
- Social transfers in-kind of goods and services from government and No-profit institutions serving households;
- Expenditures abroad

C: Concepts, definitions, classifications and weights

Definition of the CPI and its objectives: The CPI measures changes over time in general level of prices of goods and services that households acquire, (use or pay for) for the purpose of consumption. It is used as a general measure of inflation; indexation by government; indexation of wages and contracts; national accounts deflation; determining bank interest rates, exchange rates; economic policy & research.

Definition of consumption expenditures: Acquisition approach is used.

Classification: COICOP (Classification of individual consumption by purpose)

Weights include value of consumption from own production: No

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: Weights are price updated every year.

Weights for different population groups or regions: No

D: Sample design

Frequency of sample updates:

Outlets: Annual

Criteria used for determining the optimal sample sizes and the coverage of localities, outlets, items and variety samples: Prices are collected locally from both official and unofficial markets. Luxury shops and small mobile shops (ambulantes) which sell various products on streets are excluded from the sample of retail outlets. The number of representative items in the CPI basket varies between cities due to regional variation in consumption.

Criteria used for selecting an item variety in the outlet in case of loose specifications provided by the central office: Product specifications are fully described in the price collection forms.

E: Data Collection

Approximate number of localities, outlets and price observations: Localities: 3

Frequency with which prices are collected: Weekly for fresh items and monthly for other goods and services.

Methods of Price Collection

- Personal data collection for all items.

Treatment of:

Discounts and sales prices: Included, if not discriminatory.

Second hand purchases: Included (selling prices in the outlets are used).

Missing or faulty prices: Extrapolation by using the change of the other prices for the same item.

Period for allowing imputed missing prices: 3 months.

Disappearance of a given type or quality from the market: Two methods are used for permanently unavailable products i.e. either a replacement item is selected or the weight is redistributed.

Quality differences: Implicit quality adjustment methods are used.

Appearance of new items: New items are introduced in the CPI at the time of updating the basket of goods and services, i.e. when a new household budget survey is conducted.

Treatment of seasonal items and seasonality

Items that have a seasonal character and their treatment: Fruits; when out of season, prices are estimated from other items with similar characteristics.

Seasonal food items: Seasonal food items are included in the CPI using fixed weights approach: the weights are kept constant over the year, while prices of out-of season products are estimated or imputed.

Seasonal Clothing: No seasonal clothing items.

Method to impute the price of seasonal items: Prices are imputed using price development of in-season products.

Treatment of housing

Treatment of owner-occupied housing: Owner occupied housing is not included in the CPI.

Types of dwellings covered by the rent data: Rent data is collected annually and it covers all types of dwellings representative of the households.

F: Computation

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

Formula to aggregate elementary indices to higher level indices: Modified Laspeyre's formula.

Monthly and annual average prices: Average prices within each provincial capital are computed as unweighted average (arithmetic averages) at the item level. The corresponding national average prices are computed as weighted averages of the provincial averages. Population figures are used as weights at this stage. Simple indices are computed at the city level as the relative of the current and the base average price, an analogue procedure is used to obtain the national indices on the item level.

Software used for calculating the CPI: Own software developed in collaboration with Statistics Portugal

G: Editing and validation procedures

Control procedures used to ensure the quality of data collected: By supervision

Control procedures used to ensure the quality of data processed: By Data Analysis

H: Documentation and dissemination

Timeliness of dissemination of the CPI data: 10 days after the end of the reference month.

Level of detailed CPI published

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

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

Type of products for which average prices are calculated and disseminated:
Homogenous food products only.

Documentation

Publications and websites where indices can be found: Índice de Preço No Consumidor.
Website: www.ine.gov.mz

Publications and websites where methodological information can be found: In revision

I: Other Information

Reported by the country in 2012.