

# 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](http://www.nso.malawi.net)

## **I: Other Information**

Reported by the country in 2012.