

Oman

A: Identification

Title of the CPI: CPI

Organisation responsible: Ministry of National Economy (MONE)

Periodicity: Monthly

Index reference period: 2000 = 100

Weights reference period: 1999/2000.

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.

C: Concepts, definitions, classifications and weights

Definition of the CPI and its objectives: The consumer price index (CPI) measures the change in prices of goods and services purchased by households of the Sultanate.

Classification: COICOP (Classification of individual consumption by purpose)

Sources of weights: Household expenditure surveys.

Frequency of weight updates: Above 5 years

Price updating of weight reference period to the index reference period: No, not needed.

D: Sample design

Criteria used for determining the optimal sample sizes and the coverage of localities, outlets, items and variety samples: Outlet selection: The outlets are selected on the basis of accessibility, representation and availability of the products.

Item selection: The products for which the price quotes are collected are selected on the basis of their weight in household consumption and availability over a long period.

E: Data Collection

Approximate number of localities, outlets and price observations: Outlets: 1,571-Sultanate

Frequency with which prices are collected: The frequency of price collection is as follows; Fresh fish, fresh fruits and vegetables – weekly; Services and other durable goods – quarterly; Rented units - contracted period; other foods and non-food items – monthly.

Reference period for data collection: Fruits and vegetables prices are collected on Saturday of each week. Meat, poultry and frozen fish prices are collected in the 1st three days of the reference month. Other food items prices are collected from the 10th to the 20th day of the reference month. Non-food items prices are collected from the 20th day to the end of the reference month. Services, such as restaurants, hair cutting, etc. - prices are collected on a quarterly basis.

Methods of Price Collection

- Personal data collection
- Official tariffs

Treatment of:

Missing or faulty prices: If a price quote is missing the group relative method is used to estimate it. This method involves an estimation process for price on the basis of change in prices of the remaining sources for the same brand.

Disappearance of a given type or quality from the market: When the permanent disappearance of some brands of goods is confirmed, these goods are substituted with similar new brands. The new brands should be similar in type to those disappeared i.e. classified under the same good. The substitution process is completed by selecting the brand that is widely accepted by the consumers. The base price of the new brand is estimated using four statistical methods for the calculation. These methods are as follows: i) direct comparison method, ii) overlap method, iii) link to show no change and iv) explicit quality adjustment method.

Treatment of seasonal items and seasonality

Items that have a seasonal character and their treatment: Seasonal items are vegetables and fruits. When their prices are missing temporarily, they are treated in the same way as temporary missing prices.

Treatment of housing

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: The price index in the Sultanate is calculated using Laspeyre's formula that has the following format:

$$\text{Price index} = \frac{\sum \frac{P_1}{P_0} \times W}{\sum W}$$

where

P_1 = price for current period

P_0 = price for base period

W = weights (relative significance of good.)

G: Editing and validation procedures

Control procedures used to ensure the quality of data collected: Data collection in the Sultanate is done by regular MONE staff using hand-held computers. These hand-held computers have an edit check to control the quality of the price data. The data collected by the enumerators are downloaded to the data base which is in Oracle. A further validation check is undertaken at this stage that compares the current quote with the prices of the previous 12 months by source. Faulty data are replaced.

H: Documentation and dissemination

Timeliness of dissemination of the CPI data: The CPI is disseminated 1 – 2 months after the reference period.

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: Monthly Statistical Bulletin in (Arabic and English), MONE, Quarterly Consumer Price Index Bulletin in (Arabic and English), DGOES, MONE, Statistical Yearbook in (Arabic and English), MONE, "Facts Figures" (Arabic and English), MONE, Consumer Price Index Bulletin in (Arabic and English), DGOES, MONE; Internet website: <http://www.ncsi.gov.om/>

Publications and websites where methodological information can be found: Brief methodological notes on the CPI, including the formula for tabulating the basket weights are published in the "Statistical Yearbook". In addition a detailed methodology used in preparing the index is available at <http://www.moneoman.gov.om/viewPublication.aspx?id=1719>

I: Other Information

Completed by ILO in 2013.