

Sierra Leone

A: Identification

Title of the CPI: National Consumer Price Index

Organisation responsible: Statistics Sierra Leone

Periodicity: Monthly

Index reference period: 2007=100

Weights reference period: 2003/2004 Sierra Leone Integrated Household Survey (SLIHS) Income and Expenditure Module.

Main uses of CPI: Indexation of rents, contracts and/or other payments, Main inflation indicator used for monetary policy, Deflate household expenditures in National Accounts 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.

C: Concepts, definitions, classifications and weights

Definition of the CPI and its objectives: The Consumer Price Index (CPI) measures the changing cost of a fixed basket of goods purchased by consumers. It also measures the rate of Inflation.

Classification: COICOP (Classification of individual consumption by purpose) in 12 functions.

Sources of weights: Household expenditure surveys.

Frequency of weight updates: Every 3-5 years

Weights for different population groups or regions: Regional weights are computed.

D: Sample design

Sampling methods:

Outlets: Judgmental sampling

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: Item selection: The specific products priced are selected based on information obtained from the SLIHS regarding the proportion of expenditure spent on the item nationwide. Other additional factors taken into account are: i) The selected commodity should be readily available on the market; ii) The selected commodity is representative; and iii) The commodity is expected to stay on the market for a long time.

Outlet selection is judgemental.

E: Data Collection

Approximate number of localities, outlets and price observations: Localities: 18 markets

Frequency with which prices are collected: Data collection is divided into 12 regular surveys based on the 12 functions of COICOP; each survey is organized according to periodicity; regularity of survey is weekly, monthly, quarterly and semi-annually or yearly.

Reference period for data collection: Market days for data collection are Wednesday, Thursday and Friday of every week.

Methods of Price Collection

- Personal data collection
- Official tariffs

Treatment of:

Missing or faulty prices: When a price observation is temporarily unavailable in a given outlet, its price is imputed based upon the price movement of group of products within the same stratum.

Disappearance of a given type or quality from the market: When a product is permanently unavailable a similar product with the same elementary aggregate that most closely meets the specifications of the previous product is selected as a replacement product.

Quality differences: Adjustments are made to correct quality differences. Overlap imputation procedure is used (where information on the price of other products in the same outlet is available). Otherwise class mean imputation is used.

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)

Formula to aggregate elementary indices to higher level indices: Aggregation is by the modified Laspeyres formula.

Formula of aggregating regional/population group indices into national index: The National CPI is determined using the average of the regional CPIs for each function and for all items in the basket.

G: Editing and validation procedures

Control procedures used to ensure the quality of data collected: Detailed manual editing is done before prices are inputted into the computer. Inputted data is also subjected to computer editing. Limits to price increases or decreases which identify exception cases for analyst review are set at 30 per cent. Any price change (up or down) above 30% from the previous month, would require field verification to confirm the actual price as well as the reasons for the change, and only the verified price is included in the estimation of the CPI for that month.

H: Documentation and dissemination

Timeliness of dissemination of the CPI data: For the monthly CPI, the press release and the CPI report are out on the 20th of the following 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: Consumer Price Index is published in the monthly press release; “Monthly CPI Bulletin”, Statistics Sierra Leone (English), “Monthly Economic Review”, Bank of Sierra Leone (English), CPI data is also included in the “National Accounts” publication, Statistics Sierra Leone (English); Internet website: <http://www.statistics.sl/>

Publications and websites where methodological information can be found: A brief methodology can be obtained from CPI 2011 full report available at http://www.statistics.sl/cpi_archive.htm

I: Other Information

Completed by ILO in 2013.