



# Prices

Price \$3.00

Enquiries: Tel. 706681/7

e-mail: prices@zimstat.co.zw

Date: 17 August 2020

## Blended Consumer Price Index (June 2019 = 100) – July 2020

The month on month inflation rate in July 2020 was 16.65 percent shedding 12.79 percentage points on the June 2020 rate of 29.44 percent. **(See note on period of data collection below).**

This means that prices as measured by the all items blended CPI increased by an average rate of 16.65 percent from June 2020 to July 2020.

*The month-on-month inflation rate is given by the percentage change in the index of the relevant month of the current year compared with the index of the previous month in the current year.*

The month on month Food and Non Alcoholic Beverages inflation rate stood at 4.77 percent in July 2020, shedding 32.03 percentage points on the June 2020 rate of 36.80 percent. The month on month non-food inflation rate stood at 27.13 percent, gaining 3.54 percentage points on the June 2020 rate of 23.59 percent.

The blended CPI for the month ending July 2020 stood at 649.96 compared to 557.19 in June 2020 and 111.05 in July 2019.

The year on year inflation rate (annual percentage change) for the month of July 2020 as measured by the all items blended Consumer Price Index (CPI) stood at 485.27 percent.

This means that prices as measured by the all items blended CPI increased by an average of 485.27 percent between June 2019 and July 2020.

*The year-on-year inflation rate is given by the percentage change in the index of the relevant month of the current year compared with the index of the same month in the previous year.*

### Period of Data Collection

It is important to note that data on prices was collected during the period from 13 to 17 July 2020.

The changes in prices in this report refer to that period of data collection.

### THE METHODOLOGY

With effect from June 2020 ZIMSTAT is publishing the new Consumer Price Index (CPI) code named Blended Consumer Price Index. It measures the combined price changes goods and services in both the USD and ZWL.

Two separate indices were computed, that is, the USD Consumer Price Index and the already available ZWL Consumer Price Index. The original CPI weights were splitted into USD and ZWL components using linking factors. These linking factors were the proportions of estimated household expenditures in USD and ZWL according to COI-COP classification. The resultant weights were then used to combine the two indices to come out with the blended index.

### **Mean Month on Month Rates**

The mean month on month inflation rate for the period January to July 2020 was 15.4 percent.

**Table 1: Month on month inflation rate from July 2019 to July 2020**

Months	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20
Month on month inflation rate	11.1	13.9	8.9	38.2	13.5	12.0	1.8	11.7	19.6	15.3	13.5	29.4	34.8

**Figure 1: Month on month inflation rate from July 2019 to July 2020**

