

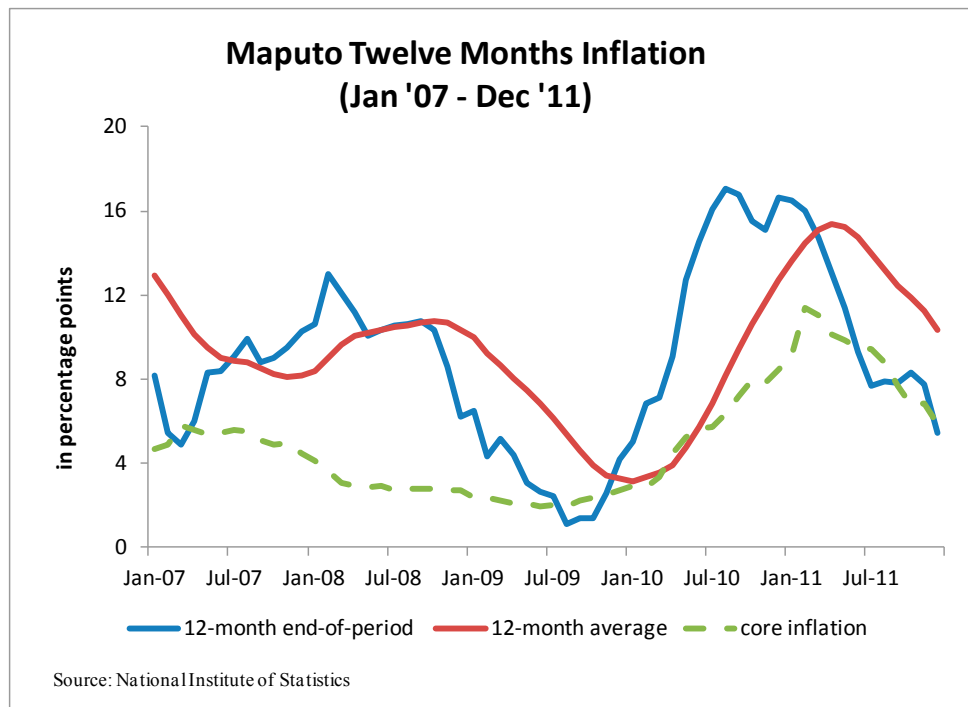


Office of the Resident Representative  
Maputo - Mozambique

## Maputo headline inflation – December 2011

### Main facts:

- The Maputo headline inflation gained only 1.3 percent at end-2011, the lowest ever December rate since end-1998. As a result, the end of period was curbed at 5.5 percent, well below the 8.4 percent target set for the whole year under the IMF program. The average however remained still above the single digits at 10.4 percent, but it is expected to quickly come down to the single digits still in the first quarter of 2012.
- Food items were the single product category that largely dominated total price increases in December, with a contribution of 96.5 percent.
- Core inflation<sup>1</sup> consolidated the declining trend observed since the inception of 2011. The end-year figure reached 5.9 percent.



<sup>1</sup> This core inflation measures excludes food, energy and fuels consumption from the total inflation.

- Pictured below is the accumulated contribution of product categories to total price increases from January to December:

**Product categories with major contribution to total price increases from January to December 2011**

<b>Item</b>	<b>Contribution (in %)</b>	<b>Trend (month-on-month)</b>
Food items and non-alcoholic beverages	2.19	↑
Alcoholic beverages and tobacco	0.11	↓
Clothing and footwear	0.33	↑
Housing and utilities**	0.90	↓
Household goods and services	0.15	↓
Health expenses	-0.03	↑
Transport	0.48	↑
Communications	-0.04	↓
Leisure, entertainment and culture	0.13	↑
Education expenses	0.75	↓
Restaurants, hotels and cafes	0.20	↑
Miscellaneous goods and services	0.29	↓
<b>Total</b>	<b>5.46</b>	<b>↑</b>

\* Water, electricity, gas and other energy sources.