

# NCPI Report

April 2026

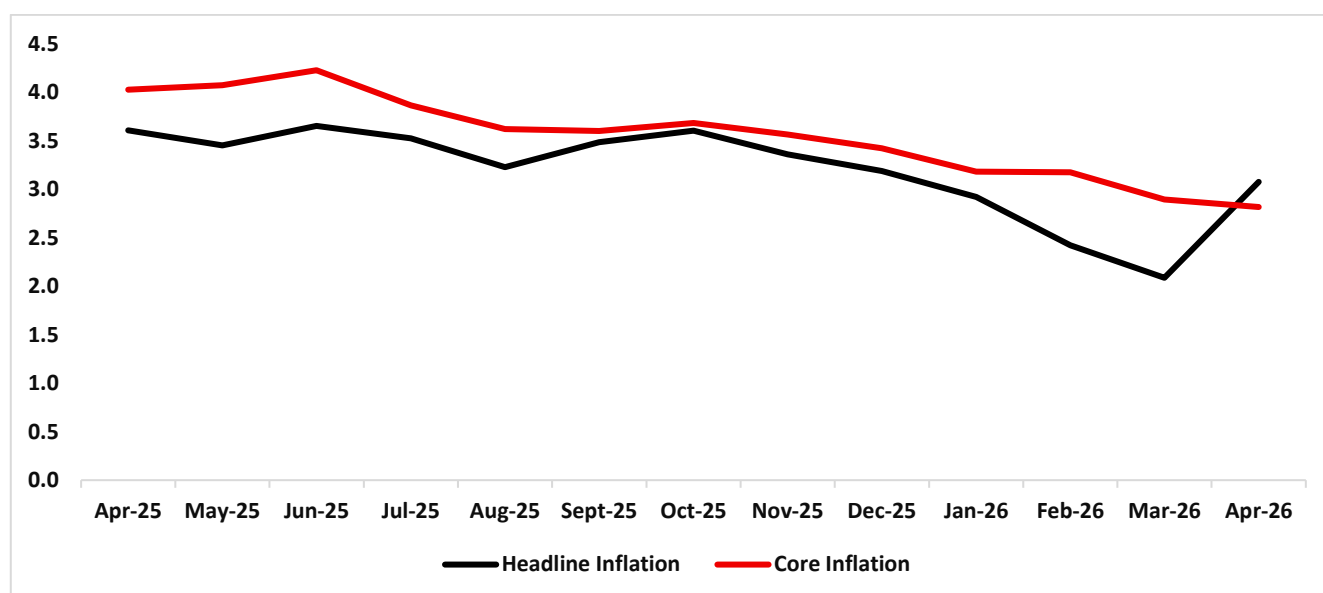
## 1. Overview

Namibia's headline inflation stood at 3.1% in April 2026, down from the 3.6% recorded in April 2025. This follows a significant dip in March 2026, where headline inflation was recorded at 2.1%. While the April figure represents a slight month-on-month acceleration, the overall annual trajectory indicates a balancing act between significant disinflation in essential consumer goods and accelerating costs in services and utilities. The annual inflation movement was primarily moderated by lower price pressures in food, alcoholic beverages, and education, though these downward trends were partially offset by rising costs in the transport, health, and housing sectors. See Figure 1 below.

Core inflation stood at 2.8% in April 2026, reflecting a steady downward trend from 4.0% in April 2025 and 2.9% in March 2026. This gradual easing from the 3.2% level seen at the start of the year suggests that underlying price pressures across the economy are successfully softening. The current rate of 2.8% is the lowest recorded core inflation level in the period under review, reinforcing a shift toward a more stable long-term pricing environment.

At regional level, inflation outcomes continued to diverge. Zone 1 (Kunene, Otjozondjupa, Oshikoto, Ohangwena, Omusati, Oshana, Kavango East, Kavango West, and Zambezi regions) recorded an annual inflation rate of 2.1% in April 2026. This figure represents an increase from the 1.0% recorded in March 2026 but remains a notable decline from the 3.7% registered in April 2025. Zone 2 (Khomas region) registered the highest annual inflation rate in the country at 4.2% for April 2026. This marks an increase from the stable 3.2% rate recorded in both March 2026 and April 2025. Meanwhile, Zone 3 (Hardap, //Kharas, Omaheke, and Erongo regions) recorded an inflation rate of 2.9% in April 2026.

**Figure 1: Headline Inflation vs Core Inflation, April 2025 to April 2026**



Source: NSA & HEI Research

## 2. Analysis

### Food and non-alcoholic beverages

Food and non-alcoholic beverages, which account for a substantial 16.45% of the consumer basket, recorded a sharp slowdown in annual inflation, easing from 5.6% in April 2025 to 2.0% in April 2026, driven by broad-based moderation across staple items. Key subcategories contributed to this moderation:

- Bread and cereals fell to -0.8% from 5.2%, with prices for these essential staples entering deflationary territory compared to the previous year due to lower maize and wheat-based product prices, while bread cake flour eased significantly.
- Oils and fats recorded a significant decline, with inflation easing to 0.9% from 6.7% in April 2025 providing substantial relief for household cooking costs.
- Vegetables, including potatoes and other tubers, saw inflation moderate to 3.7% from 6.9% a year earlier as improved domestic supply helped stabilize prices for fresh produce
- Sugar, jam, honey, syrups, chocolate, and confectionery inflation slowed sharply to 0.9% from 4.0%, reflecting lower prices for sugar and confectionery items across the market.

These movements were supported by improved domestic supply conditions and generally lower international commodity prices, highlighting that the easing in food prices was broad-based and largely driven by essential dietary staples.

### Housing, Water, Electricity, Gas and Other Fuels

Housing and utilities, representing the largest share of the consumer basket at 28.36%, saw annual inflation rise to 4.4% in April 2026 from 4.1% in April 2025. Key driver of this increase was the "Electricity, gas and other fuels" subcategory, which accelerated sharply to 4.0% from 1.5% the previous year, highlighting the impact of increased utility tariffs and energy costs.

Additionally, rental payments for dwellings, covering both owners and renters, increased slightly to 4.7% from 4.6%, indicating persistent upward pressure on housing costs. These upward movements were partially offset by "Water supply, sewerage service and refuse collection," which saw inflation ease significantly to 1.3% from the 4.2% recorded in April 2025.

### **Furnishings, Household Equipment and Routine Maintenance**

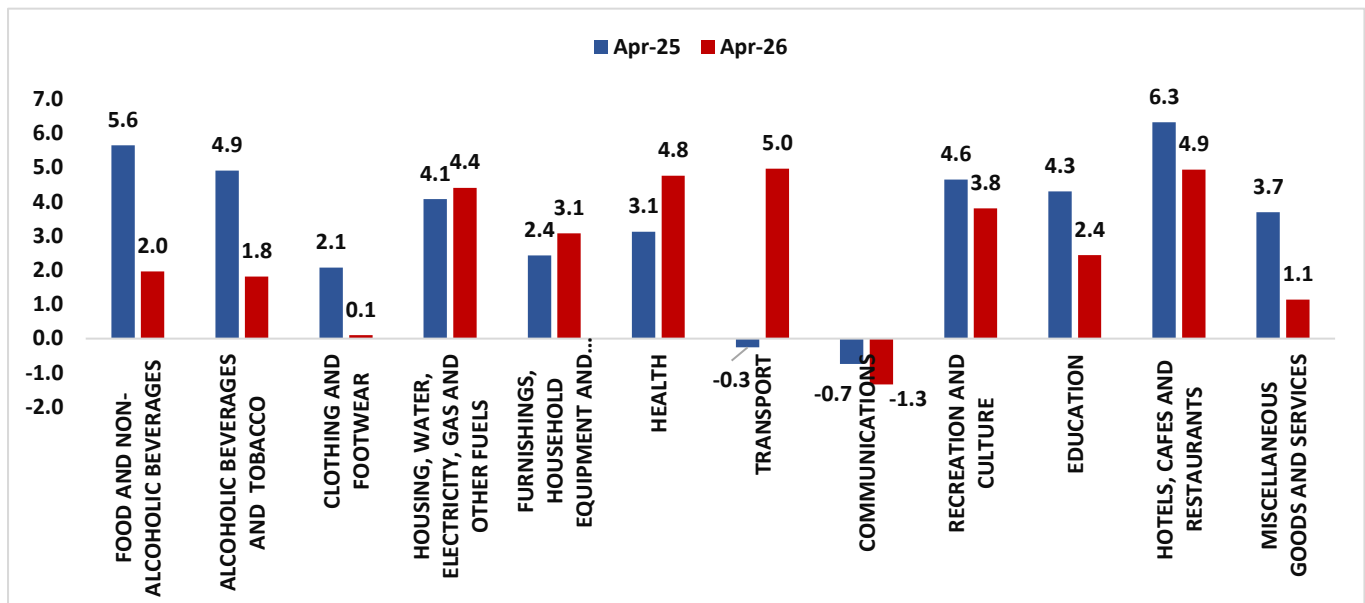
Furnishings, household equipment and routine maintenance of the house, which account for 5.47% of the consumer basket, recorded an increase in annual inflation to 3.1% in April 2026, up from 2.4% in April 2025. This category saw diverse price movements across its sub-sectors:

- Goods and services for routine household maintenance surged to 7.8% from 4.2%, reflecting a significant rise in the cost of domestic services and nondurable household goods.
- Furniture and furnishings inflation moved to 0.8% from a deflationary -0.4% a year ago, signaling a modest return to price growth for home decor items.
- Household textiles moderated to 2.0% from 4.0%, showing a slower pace of price increases for items such as linens and curtains.
- Heating and cooking appliances, refrigerators, washing machines and similar moved into deflation at -1.2%, down from a 2.2% increase in April 2025, providing cost relief for major home appliance purchases.
- Glassware, tableware and household utensils remained largely flat with inflation at 0.1%, compared to 0.3% in the previous year.
- Tools and equipment for house and garden saw inflation climb to 2.2% from 0.8% in April 2025.

### **Transport**

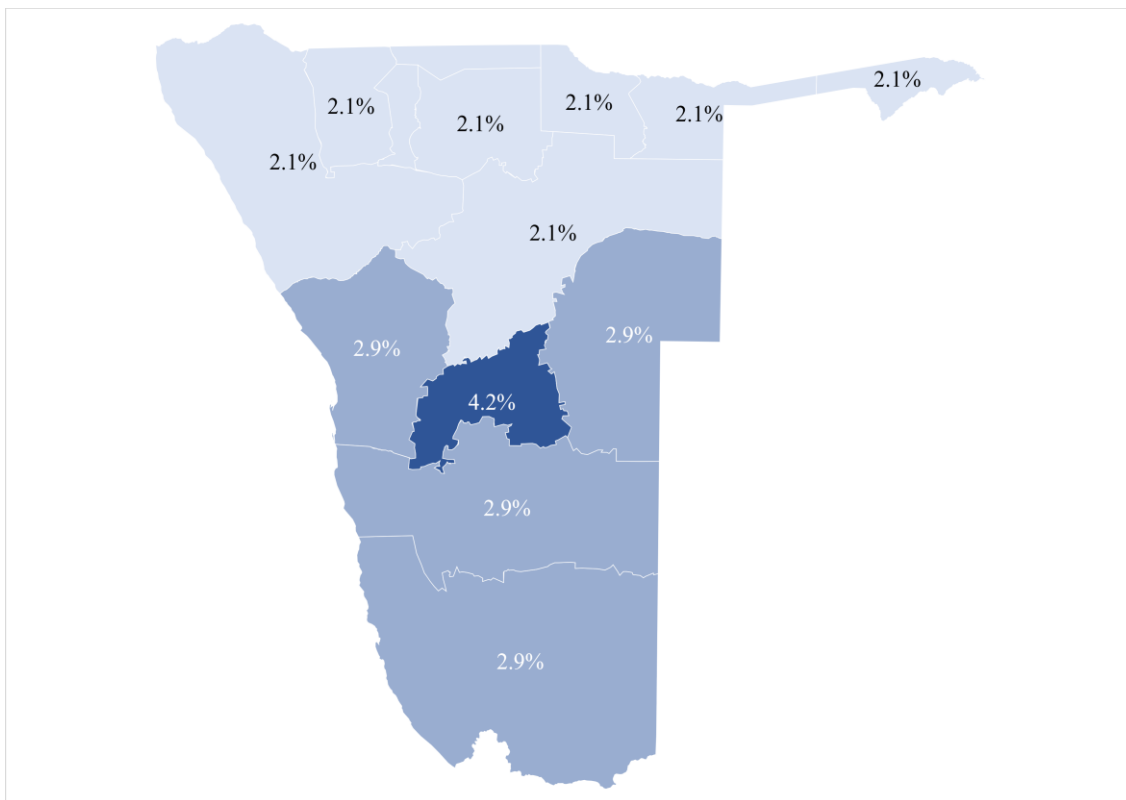
In contrast, the transport sector, which constitutes 14.28% of the consumer basket, transitioned from a deflationary state of -0.3% in April 2025 to an inflationary surge of 5.0% in April 2026. This spike was primarily fueled by the "Operation of personal transport equipment" subcategory, which jumped to 7.3% from -1.8% in the previous year, reflecting higher fuel-related expenses and increased costs for vehicle maintenance and parts. Meanwhile, inflation for the purchase of vehicles actually moderated, slowing to 1.3% from 3.2% in April 2025, suggesting a cooling in demand or pricing for new and used cars. Public transportation services remained relatively stable, with an annual inflation rate of 0.7% compared to 1.3% a year prior, offering a slight buffer for commuters.

**Figure 2: Annual Inflation rates by division (April 2025 vs April 2026)**



Source: NSA & HEI Research

**Figure 3: Annual Inflation Rates by Zone March 2026**



Source: NSA & HEI Research

### 3. Outlook

The April 2026 inflation outcome suggests that Namibia is operating in a low and relatively stable inflation environment, though with emerging signs of renewed short-term volatility. The increase in headline inflation to 3.1% from 2.1% in March is largely attributable to a temporary uplift in transport costs, rather

than a broad-based acceleration in domestic price pressures. Core inflation, which declined to 2.8%, confirms that underlying inflationary dynamics remain subdued.

Inflation is expected to remain contained within a narrow range in the near term, supported by continued moderation in food prices and easing momentum in several goods categories. The food basket, in particular, is likely to remain a stabilising force, given improved supply conditions and relatively contained global agricultural commodity prices. This should help anchor household inflation expectations.

However, the balance of risks is increasingly tilted to the upside, primarily through external channels. Volatility in global energy markets, driven by geopolitical tensions and supply uncertainties, poses the most immediate threat to price stability. Any sustained increase in fuel prices would not only upsurge transport inflation further but also feed into logistics, food distribution, and broader service costs, amplifying second-round effects.

Domestically, housing and utility-related costs are expected to remain structurally elevated, particularly in urban areas. While the pace of increase in some utility components has eased, electricity tariffs and rental inflation continue to exert persistent upward pressure on the CPI basket. This suggests that services inflation will remain somewhat sticky relative to goods inflation over the forecast horizon.

Overall, the inflation outlook remains broadly stable but highly sensitive to external shocks, particularly fuel prices. The disinflationary trend observed through 2025 and early 2026 is still intact at the core level, but headline inflation is likely to fluctuate around this trend as global energy and transport-related pressures evolve. Continued monitoring of fuel markets, utility tariff adjustments, and services inflation will therefore be critical in assessing whether the current stability is sustained or gradually eroded.