



Mozambique Inflation

Flash note

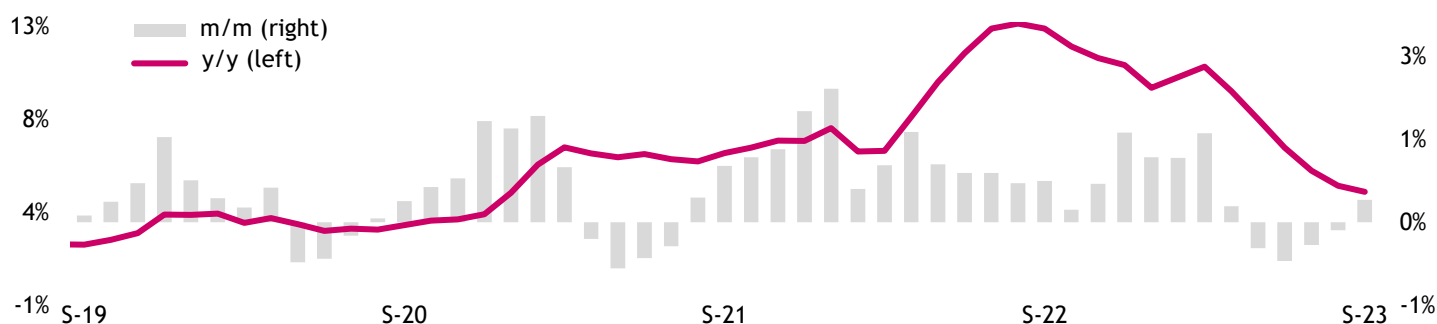
October 2023



One-year inflation in Mozambique fell again

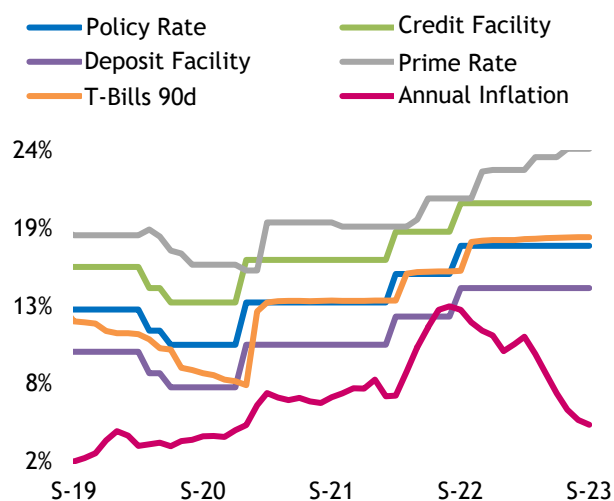
- The one-year inflation rate had reached 4.6% in September (-0.30pp compared to August), according to INE. Prices fell again due to lower demand for goods and services in the third quarter of 2023, as a result of high interest rates that affected private consumption and investments from local companies.
- However, prices have risen by 0.34% m/m after deflation during the period of May and August. Xai-Xai recorded the highest value (0.76% m/m), followed by Quelimane (0.67% m/m) and Nampula (0.66% m/m). This is explained by inflation in food products, transport, hotels and restaurants sectors according to data released by INE.
- Despite the slowdown in domestic prices, inflationary risks continue high considering the increase in public expenditure as well as the rising oil prices with impact on energy and transport sectors. On the other hand, adverse climate change is a trigger that will push up the inflation in upcoming months, according with national sources.

Inflation



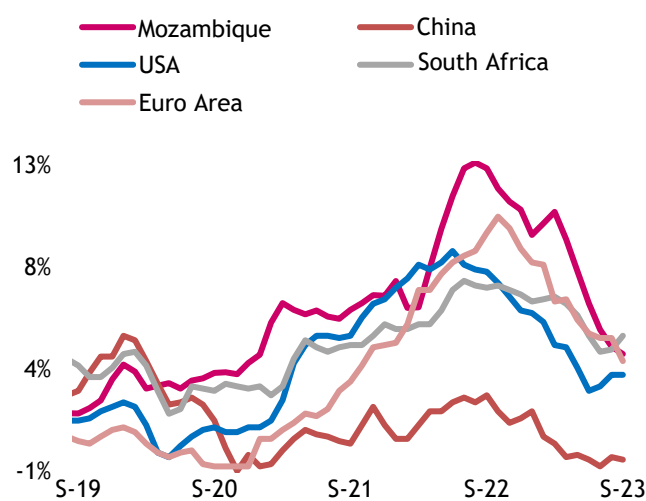
Inflation and Interest Rates

YoY



Consumer Price Index (CPI)

YoY



Source: National Statistical Institute, Central Bank