Namibia Inflation Forecast Report

Research & Financial Sector Development Department, Bank of Namibia

Updated- October 2026

Inflation Overview

Domestic Inflation - Domestic annual headline inflation increased to 5.4 percent in September 2026, representing a 0.4 percentage point decrease from the previous month. The biggest contributors towards the increase in annual inflation rate were mainly *Transport and Alcoholic beverages and Tabacco* with each increasing by 1.7 and 0.5 percentage point respectively.

Short Term Forecasts - The short-term inflation forecast is presented in Table 2, annual inflation is projected to rise to 5.5 percent and 5.7 percent October and November 2026 respectively, before moderating to 5.5 percent by December 2026.

Medium Term Forecasts - Over the medium term, quarterly inflation is projected to remain elevated in the fourth quarter of 2026, largely based on the assumptions of continued geopolitical tensions in the Middle East and the El nino phenomenon outlook. Overall, the baseline projections indicate that headline inflation is expected to average 4.2 percent in 2026 and 4.0 percent in 2027, representing upward revisions of 0.2 and 0.1 percentage points, respectively, from the previous forecasts (see Figures 1 and 2).

Table 1: International Price Forecast Summary

Category	2026 Q4	2027 Q1	2027 Q2	2027 Q3
Brent Crude (USD/barrel)	101.1	94.5	89.9	85.9
Maize (US Cents/bushel)	503.2	516.7	524.3	512.9
Wheat (US Cents/bushel)	686.1	699.0	704.5	711.1
Gold (USD/oz)	4151.6	4197.9	4249.1	4300.1
USD/ZAR	16.4	16.3	16.3	16.0
***SA Inflation (Annual %)**	5.4	5.3	3.9	3.9

Note:

Source - Bloomberg Forecasts as at 9 October 2026 and

* SARB

Table 2: Monthly Inflation Forecast, by Component

Short and Medium Term Forecasts

Category	Weight	Sep 2026 (A)	Oct 2026 (F)	Nov 2026 (F)	Dec 2026 (F)	Trend
Food	16.4%	4.0%	4.3%	4.4%	4.1%	↗
Alcoholic B&T	12.6%	3.1%	3.1%	3.1%	3.2%	→
Clothing	3.0%	0.4%	0.5%	0.4%	0.5%	↗
Housing	28.4%	4.2%	4.2%	4.2%	4.2%	→
Furnishings	5.5%	4.0%	4.2%	4.3%	4.3%	↗
Health	2.0%	5.3%	5.5%	5.4%	5.4%	→
Transport	14.3%	14.9%	16.0%	16.5%	16.0%	↗
Communication	3.8%	-0.9%	-0.6%	-0.7%	-0.9%	↘
Recreation	3.6%	4.5%	4.5%	4.4%	4.5%	→
Education	3.6%	2.4%	2.4%	2.4%	2.4%	→
Hotels	1.4%	6.3%	6.0%	6.1%	6.1%	↘
Misc	5.4%	3.5%	3.5%	3.6%	3.6%	↗
All Items	**100.0%**	**5.4%**	**5.5%**	**5.7%**	**5.5%**	↗

Figure 1: Quarterly Inflation Forecasts

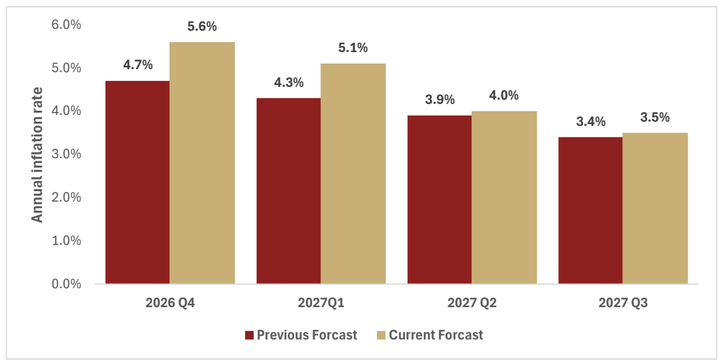
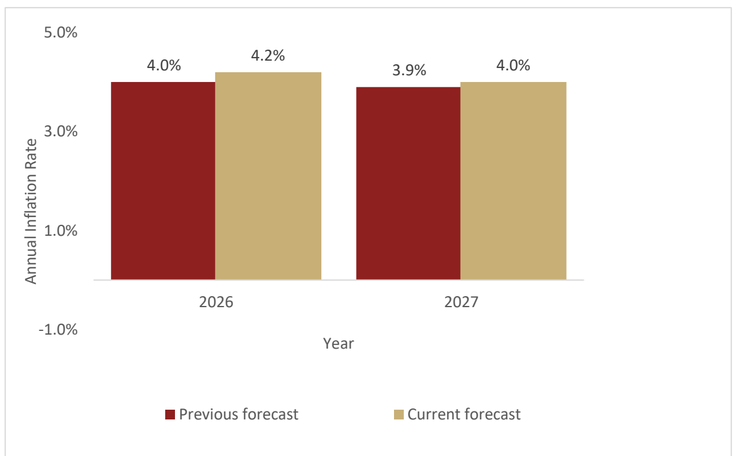


Figure 2: Yearly Inflation Forecasts



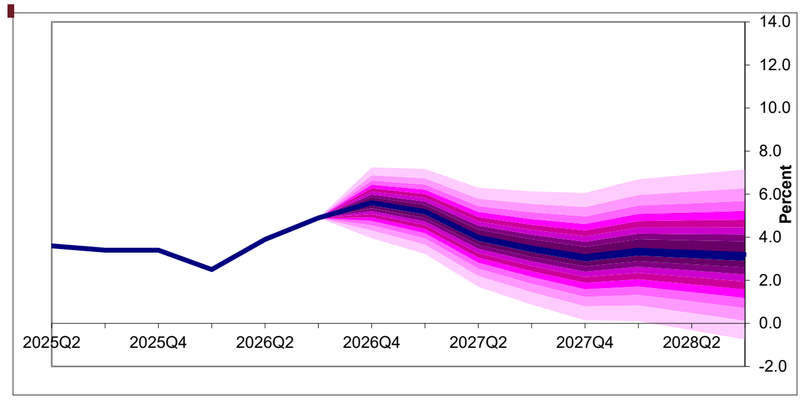


Figure 3: Inflation Forecast Fan Chart

Disclaimer

While best efforts were taken to ensure the accuracy of the data and information in this report, the Bank cannot take any responsibility for consequences resulting from the use of this information.

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