

Namibia Inflation Forecast Report

Research & Financial Sector Development Department, Bank of Namibia



Updated -August 2026

Inflation Overview

Domestic Inflation - Domestic annual headline inflation increased to 4.4 percent in June 2026, translating into a 0.3 percentage point increase from the previous month. The biggest contributors towards the increase in annual inflation rate were mainly *food and transport* with each increasing by 0.5 and 1.4 percentage point respectively.

Short Term Forecasts - The short-term inflation forecast is presented in Table 2, Annual inflation is projected to remain stable at 4.4 percent in July, before increasing to 4.6 percent and 4.8 percent in August, and September 2026 respectively.

Medium Term Forecasts - Over the medium term, quarterly inflation is projected to remain elevated in the third quarter of 2026, largely based on the assumptions of continued geopolitical tensions in the Middle East. Overall, the baseline projections indicate that headline inflation is expected to average 4.0 percent in 2026 and 3.9 percent in 2027. While the 2026 forecast remains unchanged from the previous forecast, the 2027 forecast has been revised upward by 0.2 percentage points. (see Figures 1 and 2).

Table 1: International Price Forecast Summary

Category	2026 Q3	2026 Q4	2027 Q1	2027 Q2
Brent Crude (USD/barrel)	85.1	78.4	75.9	74.5
Maize (US Cents/bushel)	444.1	467.0	481.5	491.0
Wheat (US Cents/bushel)	641.5	660.7	675.9	680.8
Gold (USD/oz)	4068.2	4109.9	4158.4	4197.7
USD/ZAR	16.5	16.3	16.3	16.2
*SA Inflation (Annual %)	4.2	4.3	4.7	3.5

Note:
Source - Bloomberg Forecasts as at 03 Aug 2026 and
* SARB

Table 2: Monthly Inflation Forecast, by Component

Short and Medium Term Forecasts

Category	Weight	June 2026 (A)	July 2026 (F)	Aug 2026 (F)	Sep 2026 (F)	Trend
Food	16.4%	2.5%	2.7%	3.0%	3.2%	↗
Alcoholic B&T	12.6%	1.3%	2.3%	2.5%	2.7%	↗
Clothing	3.0%	0.4%	0.4%	0.8%	0.5%	↗
Housing	28.4%	4.4%	4.6%	4.6%	4.8%	↗
Furnishings	5.5%	2.0%	1.9%	2.0%	2.1%	→
Health	2.0%	4.4%	4.4%	4.4%	4.5%	→
Transport	14.3%	12.9%	11.3%	12.2%	12.3%	↗
Communication	3.8%	-0.9%	-0.9%	-1.0%	-0.8%	→
Recreation	3.6%	5.5%	5.3%	5.1%	5.2%	↘
Education	3.6%	2.4%	2.4%	2.4%	2.4%	→
Hotels	1.4%	5.5%	5.7%	6.8%	7.1%	↗
Misc	5.4%	2.2%	2.3%	2.2%	2.5%	↗
All Items	100.0%	4.4%	4.4%	4.6%	4.8%	↗

Figure 1: Quarterly Inflation Forecasts

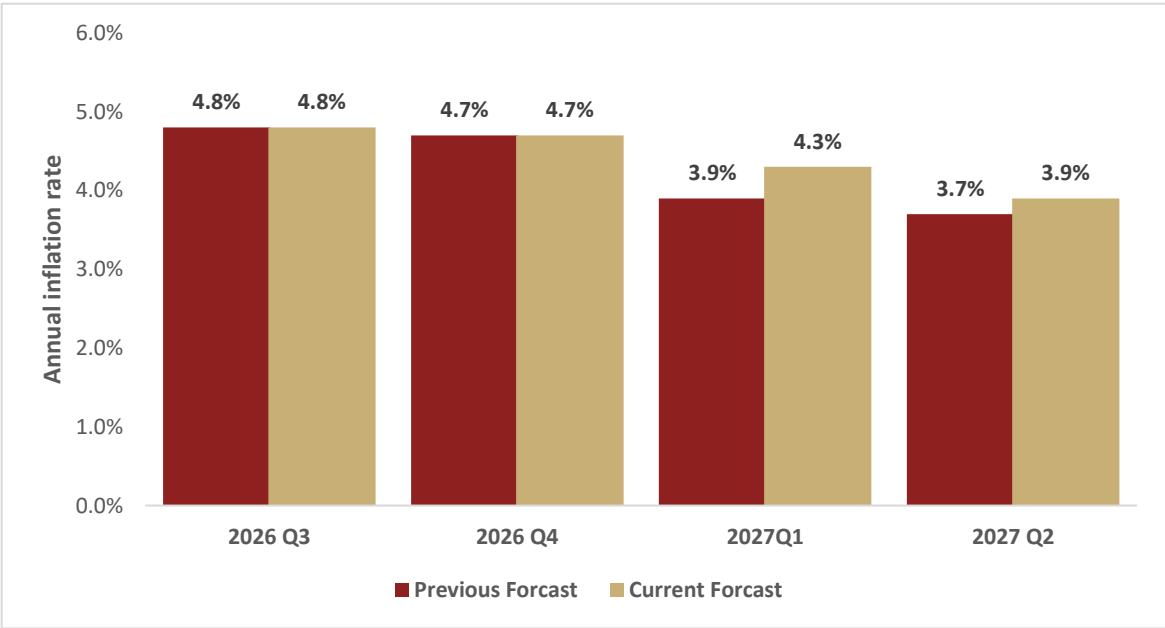
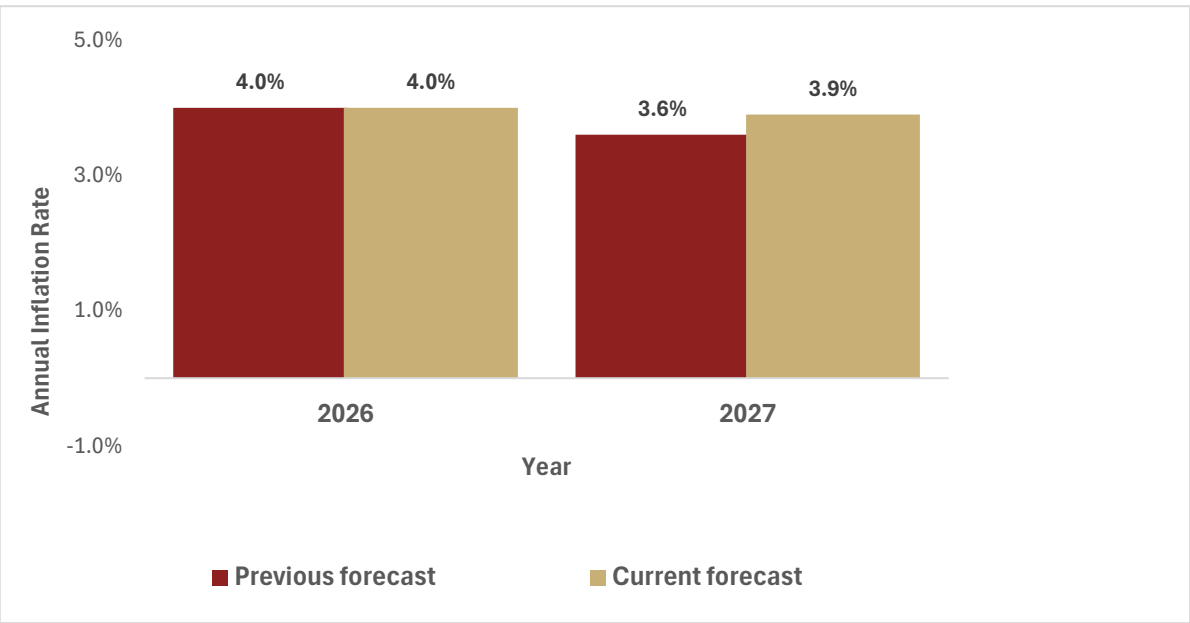


Figure 2: Yearly Inflation Forecasts



Website: <http://www.bon.com.na>

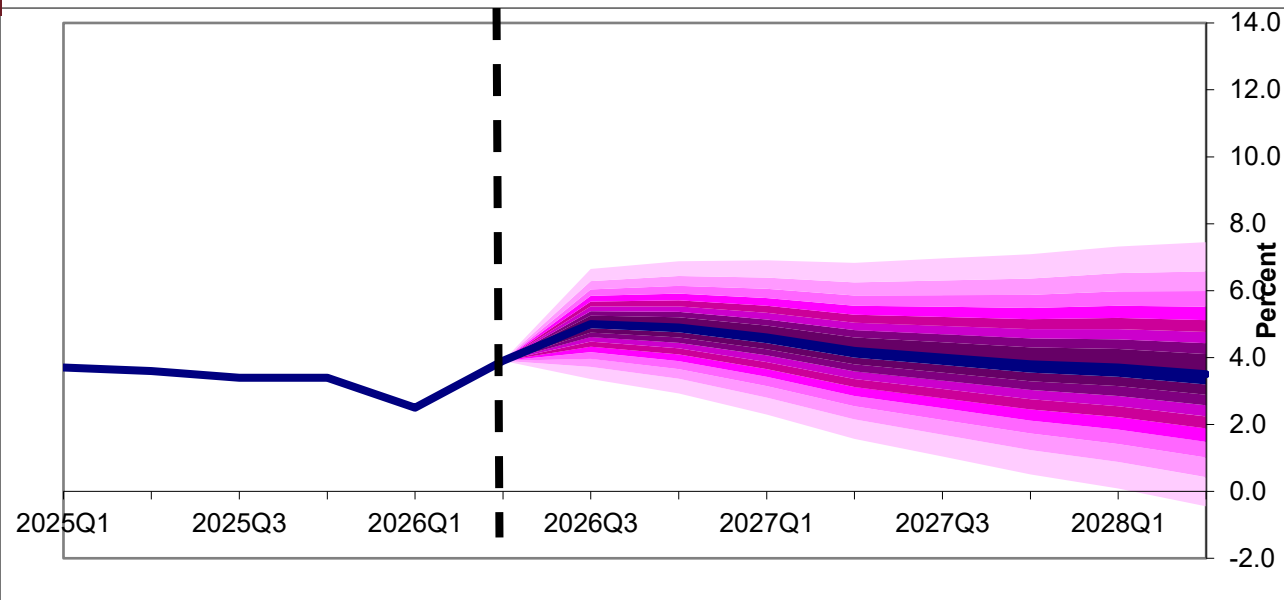


Figure 3: Inflation Forecast Fan Chart

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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