



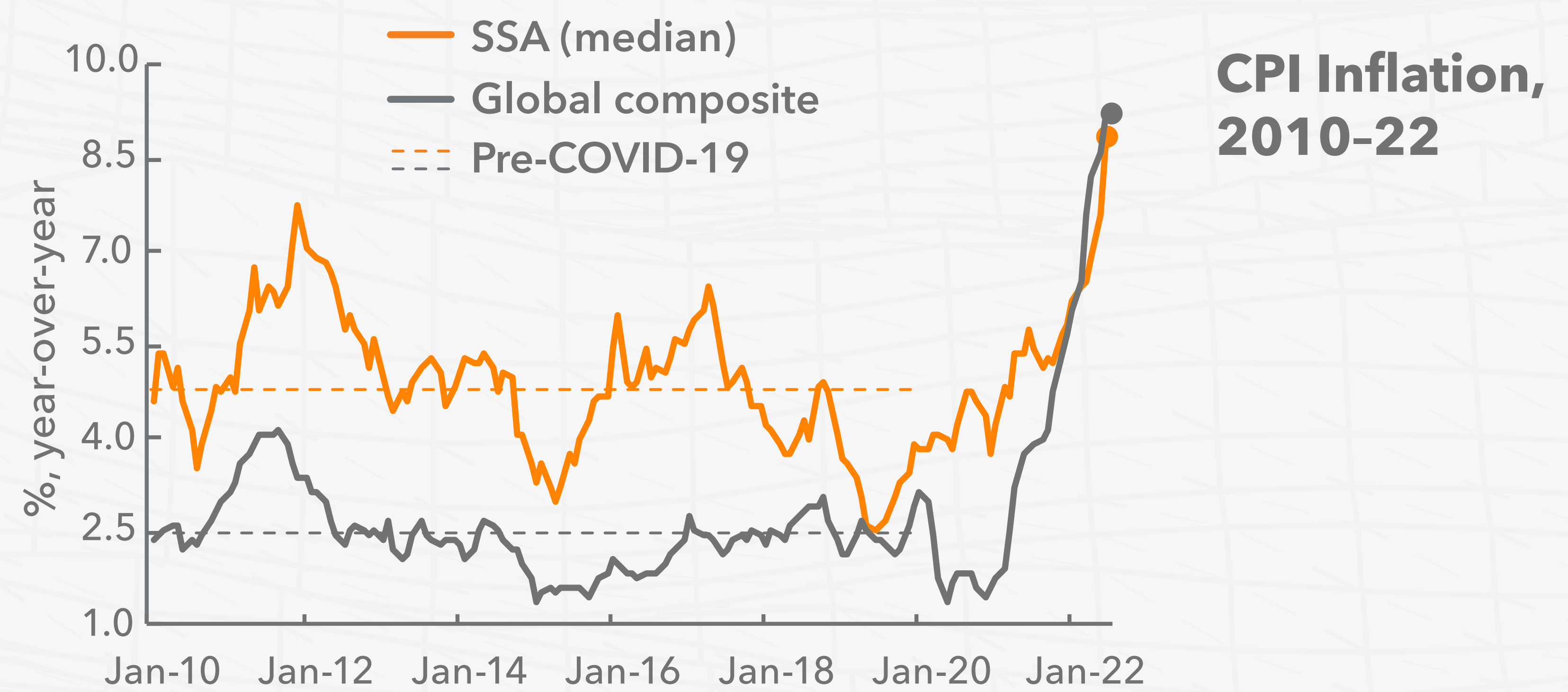
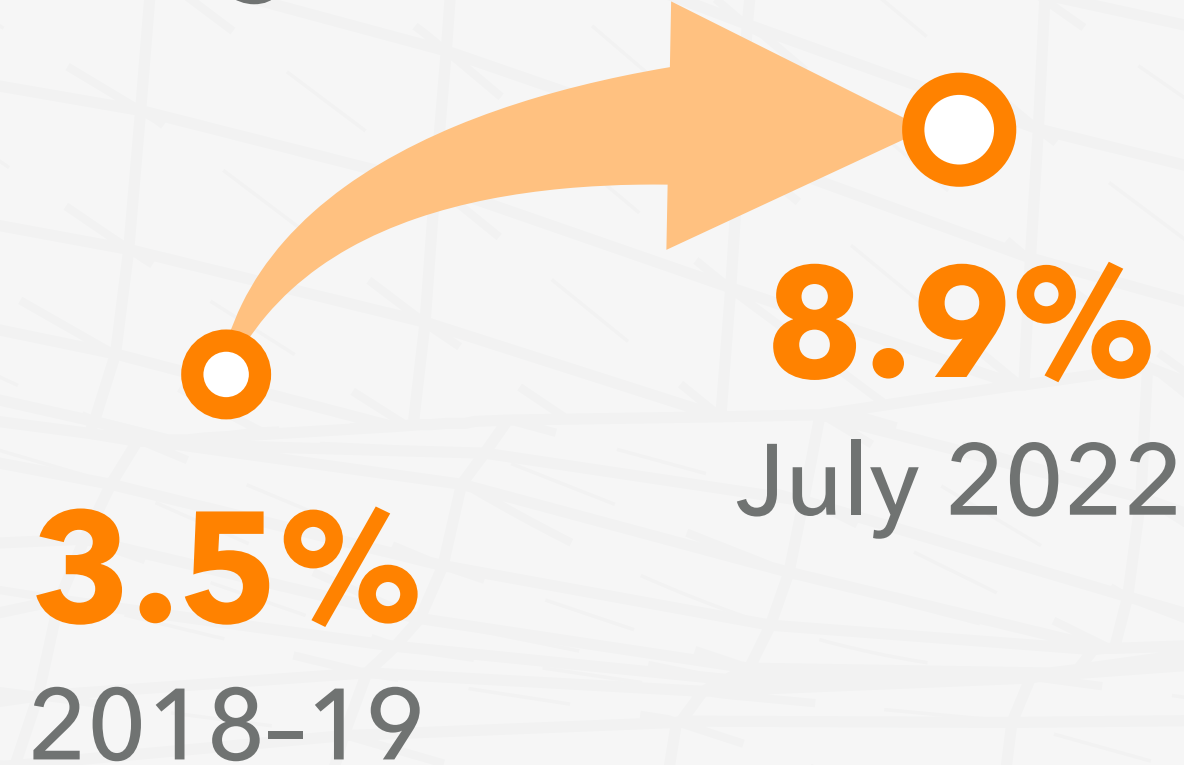
SUB-SAHARAN AFRICA REGIONAL ECONOMIC OUTLOOK

2022
OCT

Tackling Rising Inflation in Sub-Saharan Africa

Inflation is climbing

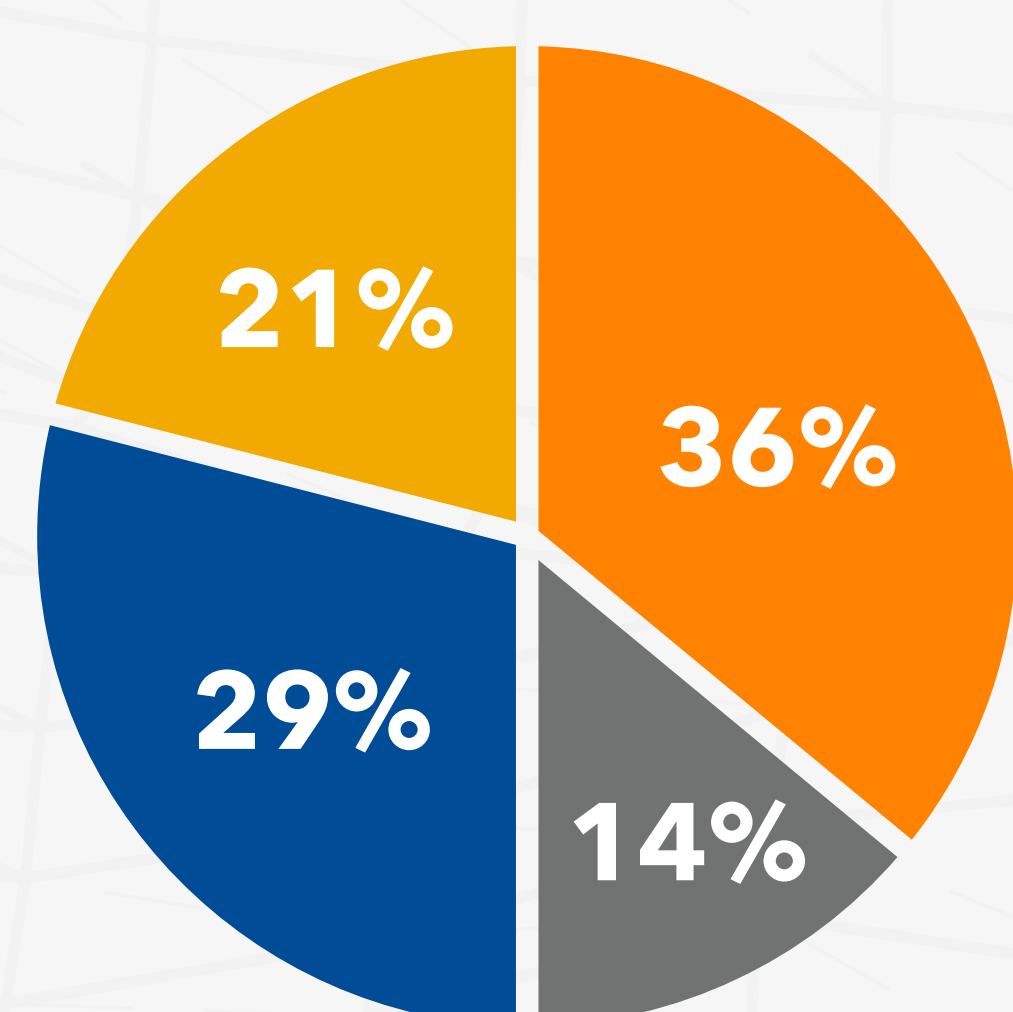
Inflation in sub-Saharan Africa has been **rising**, with floaters experiencing double the rates compared with pegged exchange rates.



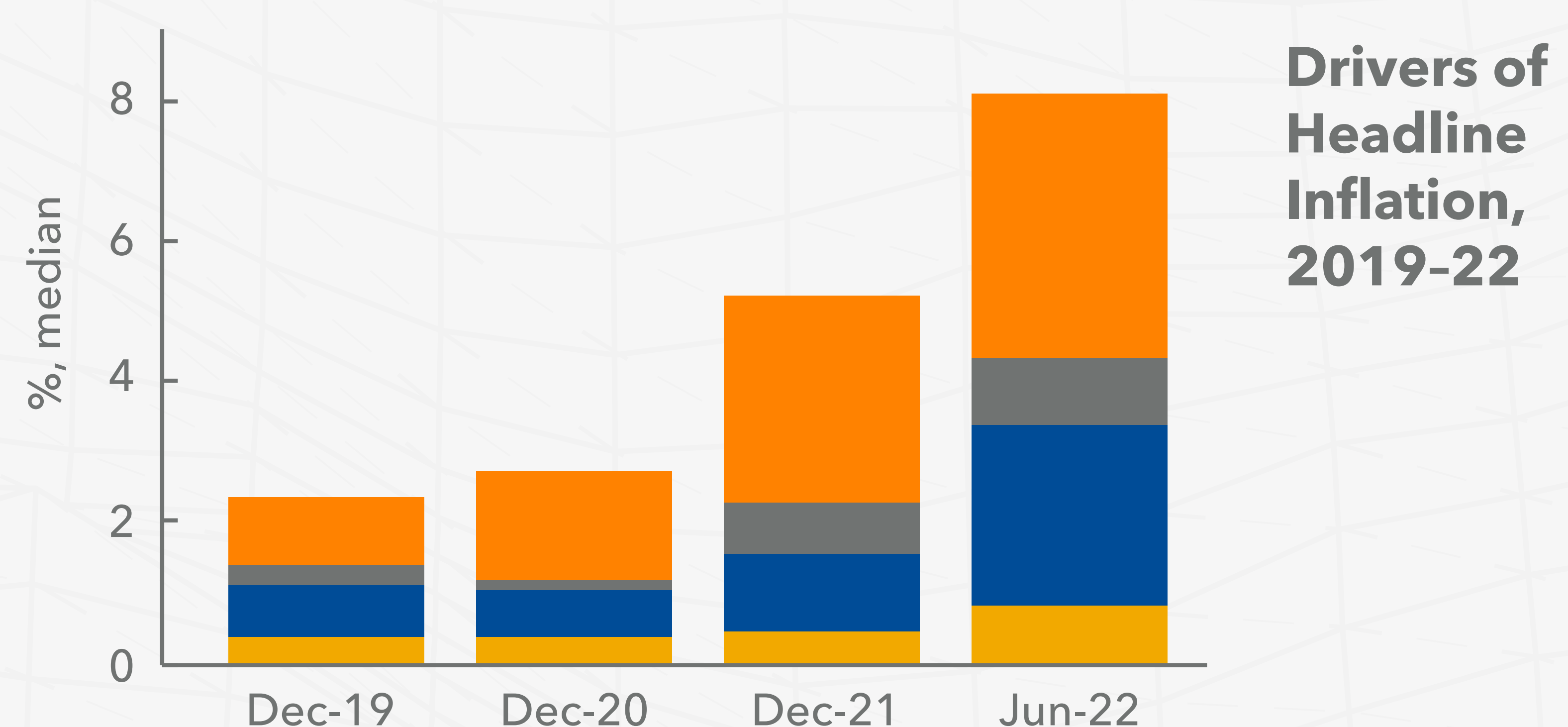
Inflation is driven by external factors

Food and tradable goods are major contributors to headline inflation, with a high share in consumption baskets.

The Sub-Saharan Africa Consumption Basket



🍌 Food ⚡ Energy 🚢 Other tradables 🏠 Non-tradables



Countries must respond to rising inflation taking into account their specific circumstances

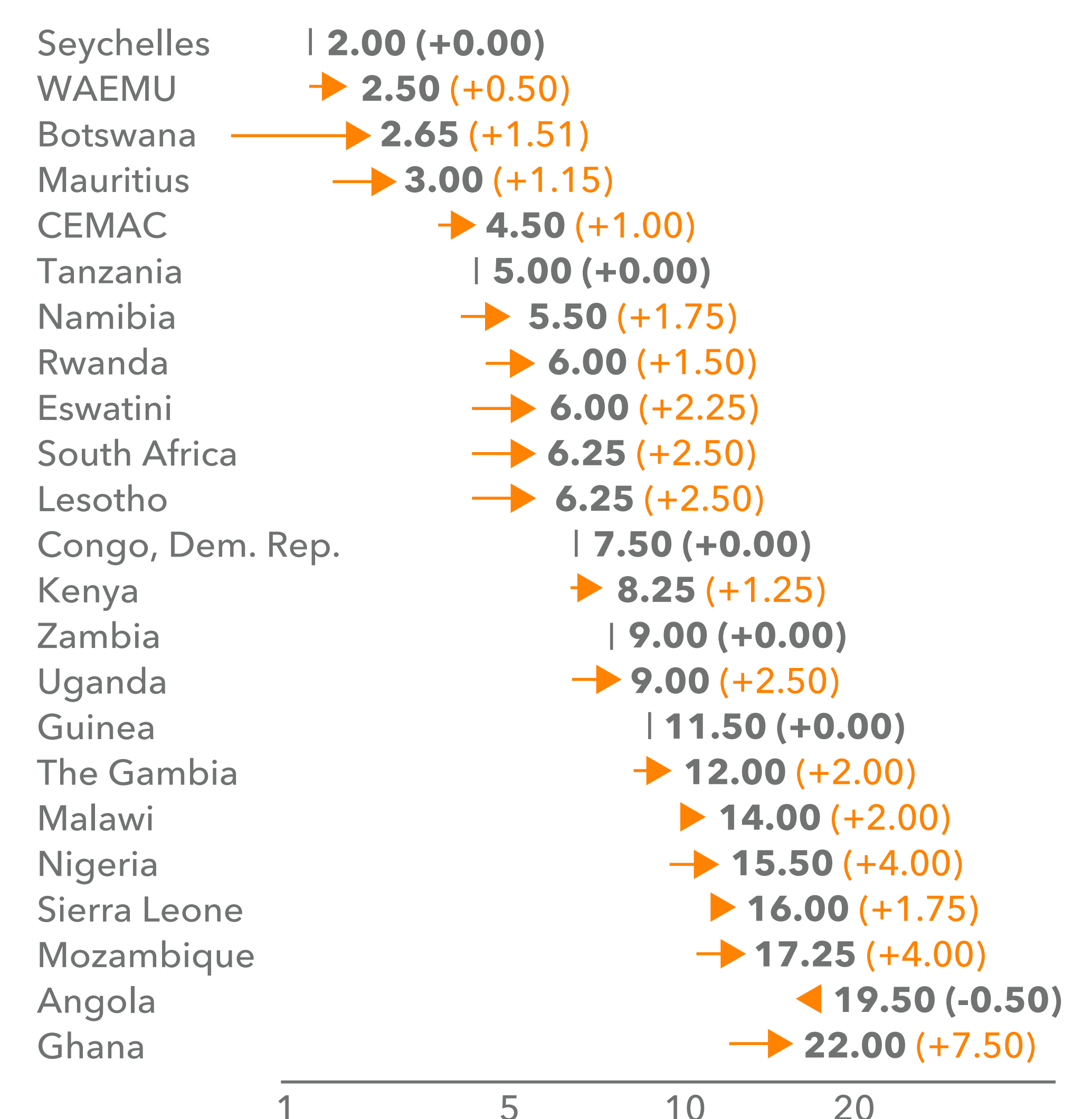
Policymakers should **tighten gradually** while **monitoring second-round effects**.

The **pace of tightening** will depend on country-specific factors, including:

- » Domestic demand pressures
- » Monetary policy credibility
- » Exchange rate regime
- » Currency movements

Increase in Policy Rates

(percent, change in policy rate since Jan 2022)



CEMAC = Economic and Monetary Community of Central Africa; CPI = consumer price index; SSA = Sub-Saharan Africa; WAEMU = West African Economic and Monetary Union.