

CONSUMER PRICE INDICES AND INFLATION RATES FOR JULY 2020

Kenya National Bureau of Statistics hereby releases the monthly Consumer Price Indices (CPI) and rates of inflation, for July, 2020. These numbers were generated from a survey of retail prices that targeted a basket of household consumption goods and services. The survey was conducted during the second and third weeks of the month, with prices being obtained from selected retail outlets located in 50 data collection zones, of which 14 are in Nairobi and 36 in other urban areas.

As shown in Tables 1 and 2, the CPI increased by 0.08 per cent from 108.27 in June 2020 to 108.35 in July 2020. The overall year on year inflation in July 2020 stood at 4.36 per cent.

Table 1: One Month and Twelve Months' Changes in the Price Indices

| | Weight | % Change on last month July 2020/ June 2020 | % Change on same month of previous year July 2020 /July 2019 |
|---|---------------|--|---|
| 13 COICOP Divisions | | | |
| Food and Non-Alcoholic Beverages | 32.91 | -0.80 | 6.62 |
| Alcoholic Beverages, Tobacco and Narcotics | 3.33 | 0.97 | 5.90 |
| Clothing and Footwear | 2.99 | -0.48 | 2.08 |
| Housing, Water, Electricity, Gas and Other Fuels | 14.61 | -0.36 | 1.06 |
| Furnishings, Household Equipment and Routine Household Maintenance | 3.74 | -0.15 | 1.12 |
| Health | 2.91 | 0.66 | 1.79 |
| Transport | 9.65 | 4.01 | 11.12 |
| Information and Communication | 7.78 | 0.10 | 0.09 |
| Recreation, Sport and Culture | 1.72 | -0.15 | 2.81 |
| Education Services | 5.56 | 0.85 | 1.94 |
| Restaurants and Accommodation Services | 8.10 | -0.30 | 1.52 |
| Insurance and Financial Services | 2.24 | -0.03 | 0.56 |
| Personal Care, Social Protection and Miscellaneous Goods and Services | 4.45 | 0.37 | 2.11 |
| Total | 100.00 | 0.08 | 4.36 |

Table 2: Overall CPI and Inflation Rates

| Month | Overall New CPI | Inflation Rate |
|--------|-----------------|----------------|
| Feb-20 | 107.17 | 7.17 |
| Mar-20 | 107.47 | 5.84 |
| Apr-20 | 108.49 | 6.01 |
| May-20 | 108.6 | 5.33 |
| Jun-20 | 108.27 | 4.59 |
| Jul-20 | 108.35 | 4.36 |

Table 3: National Average Retail Prices of Selected Commodities

| Commodity Name | Quantity | Unit of Measure | Average Price July 2019 | Average Price June 2020 | Average Price July 2020 | % Change over last month July 2020/ June 2020 | % Change over last Year July 2020/ July 2019 |
|--------------------------|----------|-----------------|-------------------------|-------------------------|-------------------------|---|--|
| Tomatoes | 1 | Kilogram | 103.67 | 101.79 | 96.19 | -5.50 | -7.22 |
| Irish Potatoes | 1 | Kilogram | 74.93 | 68.01 | 65.23 | -4.09 | -12.95 |
| Onion (Leeks and Bulbs) | 1 | Kilogram | 107.12 | 127.86 | 123.95 | -3.06 | 15.71 |
| Kale (Sukuma Wiki) | 1 | Kilogram | 42.31 | 53.23 | 51.84 | -2.62 | 22.53 |
| Spinach | 1 | Kilogram | 62.74 | 60.16 | 58.21 | -3.24 | -7.22 |
| Mutton/Goat Meat | 1 | Kilogram | 512.91 | 515.73 | 518.71 | 0.58 | 1.13 |
| Offals (Matumbo) | 1 | Kilogram | 253.30 | 258.78 | 259.50 | 0.28 | 2.45 |
| Sugar | 1 | Kilogram | 117.60 | 112.56 | 116.67 | 3.65 | -0.79 |
| Water vendor services | 20 | Litre | 17.79 | 17.39 | 17.29 | -0.61 | -2.85 |
| House Rent - Double Room | 1 | per month | 6,283.13 | 6,297.53 | 6,264.65 | -0.52 | -0.29 |
| Electricity | 200 | KWh | 4,752.91 | 4,529.45 | 4,552.20 | 0.50 | -4.22 |
| Kerosene/Paraffin | 1 | Litre | 103.11 | 63.79 | 66.41 | 4.11 | -35.59 |
| Diesel | 1 | Litre | 105.02 | 75.88 | 92.81 | 22.32 | -11.62 |
| Petrol | 1 | Litre | 116.45 | 90.34 | 101.37 | 12.21 | -12.95 |

Further as indicated in Table 1, whereas the year on year food inflation increased by 6.62 per cent, Food and Non-Alcoholic Drinks' Index decreased by 0.80 per cent in July 2020, compared to June 2020. This resulted from decreases in prices of several food items outweighing the increases, as shown in Table 3. For instance, prices of tomatoes, Irish potatoes, spinach, onions and kale-sukuma wiki, registered decreases of 5.50, 4.09, 3.24, 3.06 and 2.62 per cent, respectively in July 2020 compared to the prices in June 2020. However, during the same period, prices of *matumbo*, mutton/goat meat and sugar increased by 0.28, 0.58 and 3.65 per cent, respectively.

During the review period, the Housing, Water, Electricity, Gas and Other Fuels' Index, decreased by 0.36 per cent. This was attributed to lower cost of water vendor services, house maintenance and some house rents. On the other hand, the cost of electricity and kerosene went up by 0.5 per cent and 4.11 per cent, respectively.

The transport Index increased by 4.01 per cent mainly due to increase in the pump prices of diesel and petrol by 22.32 per cent and 12.21 per cent, respectively.