

CPI AND INFLATION RATES FOR THE MONTH OF DECEMBER 2009

Kenya National Bureau of Statistics is pleased to present the geometric Consumer Price Indices (CPI) and inflation rates pertaining to the month of December 2009 with base period as October 2005. The numbers have been generated through data collected within the second and third weeks of the month of review from selected retail outlets in 13 urban centers.

As indicated in Tables 1 and 2, the CPI computed using the geometric mean approach increased by 0.3 percent from 141.5 points in November 2009 to 141.9 points in December 2009. Month-on-month overall inflation rate stood at 5.3 percent in December 2009 compared to 5.0 percent in November 2009.

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

Broad Item Group	% Change on Previous Month (December 09 / November 09)	% Change on Previous Year (December 09/ December 08)
Food & Non-alcoholic drinks	-0.2	5.7
Alcohol & Tobacco	2.4	11.6
Clothing & Footwear	1.4	5.4
Housing Costs	0.1	4.8
Fuel & Power	1.4	0.5
Household Goods & Services	0.2	0.8
Medical Goods and Services	0.5	7.8
Transport & Communication	1.5	5.0
Recreation & Education	0.5	5.5
Personal Goods	0.2	6.7
Average all Groups	0.3	5.3

Food and non alcoholic drinks' index which accounts for 50.5 percent of all the weight went down by a small magnitude of 0.2 percent from 158.21 points in November 2009 to 157.96 points in December 2009. This came about as a result of falls in some food prices slightly outweighing the rises in other food commodities. The prices of beef with bones, English potatoes, fresh milk and beans went up by 1.86, 8.99, 1.74 and 2.42 percent, respectively, while the prices of maize flour, tomatoes, maize grains and onions fell by 5.64, 8.35, 5.09 and 12.21 percent respectively. The average price of a two kilogram packet of maize flour for instance declined from KSh 87.24 in November to KSh. 82.32 in December 2009. On other hand, the price of a kilogram of beef with bones went up from KSh 229.87 in November to KSh 234.16 in December 2009.

During the same review period, alcohol and tobacco, fuel and power, clothing and foot-ware and the transport and communication indices increased by 2.4, 1.4, 1.4 and 1.5 percent, respectively. This rises can be attributed to increases in the prices of beer, paraffin, petrol, charcoal and matatu/bus fares by 5.20, 2.66, 2.28, and 1.83 percent, respectively. There was also a general rise in the prices of clothing and foot-ware among other non food items of expenditure.

Table 2: Overall Geometric CPI and Inflation

Month	Geometric Overall CPI	Geometric Overall Inflation

February-2009	139.0	14.6
March-2009	140.5	14.6
April-2009	141.9	12.4
May-2009	141.2	9.6
June-2009	140.2	8.6
July-2009	139.8	8.4
August-2009	139.9	7.3
Sept-2009	140.5	6.7
October-2009	141.2	6.6
November-2009	141.5	5.0
December-2009	141.9	5.3

Source:

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