

GEOMETRIC CPI AND INFLATION RATES FOR THE MONTH OF JULY 2010

Kenya National Bureau of Statistics hereby releases the Consumer Price Indices (CPI) and inflation rates pertaining to the month of June 2010 (base period, February 2009). The numbers have been generated through data collected within the second and third weeks of the month from selected retail outlets in 25 data collection zones located in 13 urban centers.

As indicated in Tables 1 below, the CPI decreased by 0.4 percentage points from 105.8 in May 2010 to 105.3 in June 2010. Month-on-month overall inflation rate, stood at 3.2 percent in June 2010.

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

Broad Commodity Group	New CPI Weight	% Change on Previous Month (June 2010 / May 2010)	% Change on Previous Year (June 2010/ June 2009)
Food & Non-Alcoholic Beverages	36.04	-0.3	4.4
Alcoholic Beverages, Tobacco & Narcotics	2.06	1.8	8.1
Clothing & Footwear	7.43	-0.4	2.7
Housing, Water, Electricity, Gas and other Fuels	18.3	-0.7	2.5
Furnishings, Household Equipment and Routine Household Maintenance	6.16	0.3	3.5
Health	3.13	0.1	3.8
Transport	8.66	-3.1	1.1
Communication	3.82	-0.1	-0.8
Recreation & Culture	2.25	0.1	0.9
Education	3.14	-0.4	1
Restaurant & Hotels	4.48	0	2.4
Miscellaneous Goods & Services	4.52	-0.3	1.7
Total	100	-0.4	3.2

The Food and Non Alcoholic drinks' index went down by 0.3 percent between the months of May 2010 and June 2010. This was attributed to falls in the prices of maize flour, tomatoes, oranges and bananas by 3.99, 12.68, 3.25 and 1.89 percent respectively among other food items. For instance, a 2 kg packet of maize flour was retailing at an average price of KSh. 72.25 in June 2010 compared to KSh. 75.25 in May 2010.

During the same period, the housing, water, electricity, gas and other fuels' Index; dropped by 0.7 percent mainly as a result of continued fall in the price of electricity. The average total cost of consuming 50 Kilowatt hours of electricity fell by 9.51 percent between the months of May 2010 and June 2010. This decrease was mainly caused by significant drops in the fuel cost and foreign exchange adjustment levies.

Table 2: Overall Geometric CPI and Inflation Rates

February

2009=100

Month	Geometric Overall CPI	Geometric Overall Inflation
Jul-09	102.3	
Aug-09	102.9	
Sep-09	103.4	
Oct-09	103.7	
Nov-09	103.9	
Dec-09	104.7	
Jan-10	104.9	
Feb-10	105.2	5.2
Mar-10	105.5	4.5
Apr-10	105.6	3.7
May-10	105.8	3.9
Jun-10	105.3	3.2

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