

### CPI AND INFLATION RATES FOR THE MONTH OF JUNE 2009

Kenya National Bureau of Statistics is pleased to release the Consumer Price Indices (CPI) and inflation rates for the month of June 2009, for your information and use. This data is generated through monthly data collection from retail outlets in 13 urban centres in Kenya and is perceived to represent the spending behaviour of Kenyan urban households. Prices are collected in selected retail outlets within the second and third weeks of the month of review in order to maintain consistency in the price variations.

The CPI decreased by 1.8 percent from 348.76 points in May 2009 to 342.38 points in June 2009. Month-on-month overall inflation rate decreased from 19.5 percent in May 2009 to 17.8 percent in June 2009. The month on month *underlying* inflation rate which *excludes food items* from the CPI basket also dropped from 7.0 percent in May to 5.8 percent in June 2009.

Table 1 shows Weights and the percentage changes to the indices of broad categories of items in the month of June 2009 compared to May 2009 (previous month) and the month of June 2009 compared to June 2008 (previous year).

**Table 1: One month and twelve months Changes in the Price Indices**

Broad Item Group	% Weights	% Change on Previous month(June09/May09)	% Change on Previous year (June09/June08)
Food & Non-alcoholic drinks	50.50	-2.6	23.4
Alcohol & Tobacco	2.97	0.6	8.6
Clothing & Footwear	9.00	0.3	5.1
Housing Costs	11.74	0.1	9.5
Fuel & Power	4.18	0.0	-2.6
Household Goods & Services	5.82	0.3	9.5
Medical Goods and Services	1.59	0.6	15.3
Transport & Communication	5.75	0.0	1.6
Recreation & Education	6.02	0.5	6.1
Personal Goods	2.45	0.6	11.5
<b>Average all Groups</b>	<b>100.00</b>	<b>-1.8</b>	<b>17.8</b>

Food and non alcoholic drinks' index went down by 2.6 percent from 495.20 points in May to 482.08 points in June 2009. This decrease was due to continued fall in the prices of Sukuma Wiki, Cabbages, English potatoes and other seasonal food items. On average, the price of a kilogram of Sukuma wiki was retailing at K Sh. 30.04 in June compared to K Sh.35.48 in May 2009, a decline of 15.3 percent. Similarly, the average prices of Cabbages and English potatoes surged downwards by 11.87 and 11.52 percents, respectively. However the prices of Sugar and Milk increased during the month of June.

During the review period, the index for alcohol and tobacco increased by 0.6 percent as a result of a rise in the prices of wines and spirits.

**Table 2: Overall CPI movement from July 2008 to June 2009: (October 1997=100)**

Month	Overall CPI	% Change on Previous month	% Change over the same month one year ago
July-2008	286.62	-1.4	
August-2008	288.06	0.5	27.6

September-2008	292.57	1.6	28.2
October-2008	295.38	1.0	28.4
November-2008	301.79	2.2	29.4
December-2008	306.28	1.5	27.7
January-2009	318.02	3.8	21.9
February-2009	333.21	4.8	25.1
March-2009	345.33	5.0	25.8
April-2009	355.36	3.8	26.1
May-2009	348.76	-1.9	19.5
June-2009	342.38	-1.8	17.8

*Source: Kenya National Bureau of Statistics*