

CPI AND INFLATION RATES FOR THE MONTH OF MARCH 2009

Kenya National Bureau of Statistics is pleased to release the Consumer Price Indices (CPI) and inflation rates for the month of April 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. These 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 increased by 3.6 percent from 333.21 points in February 2009 to 345.33 points in March 2009. Month-on-month overall inflation rate increased from 25.1 percent in February 2009 to 25.8 percent in March 2009. On the other hand, the month on month *underlying* inflation rate which *excludes food items* from the CPI basket increased from 7.9 percent in February to 7.7 percent in March 2009.

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

Table 1: One Month and twelve months Change in Price Indices

Broad Item Group	% Weights	% Change on Previous month (Feb 09/Jan 09)	% Change on Previous year (Feb 09/Feb 08)
Food & Non-alcoholic drink	50.50	5.0	34.8
Alcohol & Tobacco	2.97	0.3	12.3
Clothing & Footwear	9.00	-0.1	4.4
Housing Costs	11.74	2.1	9.7
Fuel & Power	4.18	-1.8	6.1
Household Goods & Services	5.82	0.5	10.5
Medical Goods and Services	1.59	0.5	17.2
Transport & Communication	5.75	0.3	4.1
Recreation & Education	6.02	-0.3	5.0
Personal Goods	2.45	0.5	10.5
Average all Groups	100.00	3.6	25.8

Food and non alcoholic drinks' index, increased between the months of February and March 2009 by 5.0 percent from 466.09 points to 489.49 points. This was due to rises in the prices of English potatoes, Sukuma Wiki, tomatoes, and most of the seasonal food products in general among other food items. The Nairobi lower income group of the population was the hardest hit by this rise in prices. The average price of a kilogram of English potatoes increased by 20.02 percent from KSh. 33.23 in February, to KSh.38.89 in March 2009. Similarly, the average prices of Sukuma Wiki and Tomatoes, increased by 9.35 and 8.86 percent, respectively.

The fuel and power index decreased by 1.8 percent from 354.98 points in February to 348.41 points in March due to continued decreases in the prices of diesel and petrol. The average cost of a litre of diesel decreased by 1.95 percent from KSh.73.47 in February to KSh. 72.04 in March 2009. Similarly, the average cost of petrol decreased by 1.09 percent.

Table 2: Overall CPI movement from April 2008 to March 2009:

(October 1997=100)

Month	Overall CPI	% Change on Previous month	% Change over the same month one year ago
April-2008	281.88	2.7	31.5
May-2008	291.79	3.5	
June-2008	290.75	-0.4	29.3
July-2008	286.62	-1.4	26.5
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-09	345.33	5.0	25.8

Source: Kenya National Bureau of Statistics