

CPI AND INFLATION RATES FOR THE MONTH OF MAY 2009

Kenya National Bureau of Statistics is pleased to release the Consumer Price Indices (CPI) and inflation rates for the month of May 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 decreased by 1.9 percent from 355.36 points in April 2009 to 348.76 points in May 2009. Month-on-month overall inflation rate decreased from 26.1 percent in April 2009 to 19.5 percent in May 2009. The month on month *underlying* inflation rate which *excludes food items* from the CPI basket also decreased from 8.2 percent in April to 7.0 percent in May 2009.

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

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

Broad Item Group	% Weights	% Change on Previous month(May09/April09)	% Change on Previous year (May09/May08)
Food & Non-alcoholic drinks	50.50	-2.6	25.3
Alcohol & Tobacco	2.97	0.4	14.7
Clothing & Footwear	9.00	0.3	5.5
Housing Costs	11.74	0.2	9.5
Fuel & Power	4.18	-1.0	0.2
Household Goods & Services	5.82	0.3	10.5
Medical Goods and Services	1.59	0.8	18.2
Transport & Communication	5.75	-0.3	2.7
Recreation & Education	6.02	0.5	5.8
Personal Goods	2.45	0.1	11.7
Average all Groups	100.00	-1.9	19.5

Food and non alcoholic drinks' index went down by 2.6 percent from 508.34 point in April 2009 to 495.20 points in May 2009. This decrease was due to fall in the prices of Sukuma Wiki, Cabbages, Tomatoes and other seasonal food items. The average price of a kilogram of Sukuma wiki went down by 16.88 percent from KSh 42.69 in April, to KSh 35.48 in May 2009. Similarly, the average prices of Cabbages and Tomatoes went down by 11.64 and 5.92 percent, respectively. There was however a notable rise in the prices of Sugar and Milk by 9.40 and 3.29 percents, respectively.

The fuel and power index decreased by 1.0 percent from 345.24 points in April to 341.85 points in May due to continued decreases in the prices of diesel and petrol. The average cost of a litre of diesel decreased by 5.44 percent from KSh 69.67 in April to KSh 65.88 in May 2009. Similarly, the average cost of petrol decreased by 2.46 percent.

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

Month	Overall CPI	% Change on Previous month	% Change over the same month
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			one year ago
June-2008	290.75	-0.4	
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-2009	345.33	5.0	25.8
April-2009	355.36	3.8	26.1
May-2009	348.76	-1.9	19.5

Source: Kenya National Bureau of Statistics