

CPI AND INFLATION RATES FOR THE MONTH OF APRIL 2006

The Central Bureau of Statistics is pleased to release the Consumer Price Indices (CPI) and inflation rates for the month of April 2006, for your information and use. This data is generated through monthly data collection from retail outlets in 13 urban centres in Kenya. The data is perceived to be representative of the spending behaviour of Kenyan urban households. The price data is collected in the second and third week of the month of review in the selected retail outlets. This is in order to maintain consistency in price variations.

Consumer Price Index (CPI) declined by 1.0 per cent from 212.8 points in March 2006 to 210.7 points in April 2006. Month-on-month overall inflation rate decreased from 19.1 per cent in March 2006 to 14.9 per cent in April 2006. On the other hand, month-on-month *underlying* inflation rate which *excludes food items* from the CPI basket also declined from 5.3 per cent to 5.0 per cent.

Table 1 shows percentage changes in indices of broad categories of items in the month of April 2006 compared to March 2006 (previous month).

Table 1: One Month Change in Prices

Broad Item Group	% Change on Previous month
Food and Non-Alcoholic Drink	-1.9
Alcohol & Tobacco	0.1
Clothing & Footwear	0.2
Housing Costs	0.8
Fuel & Power	1.3
Household Goods & Services	0.1
Medical Goods and Services	0.0
Transport & Communication	1.0
Recreation & Education	0.0
Personal Goods	0.3

Food and non-alcoholic drink index declined by 1.9 per cent in April 2006 compared to March 2006. This was mainly attributed to fall in prices of cabbages and kales (*sukuma wiki*).

On average, a kilogramme of kales was retailing at Kshs 23.70 compared with Kshs 41.20 in March 2006 a fall of 42.3 per cent. During the same period, a kilogramme of cabbages dropped from Kshs 30.1 in March to Kshs 23.70 in April 2006.

Fuel and Power index increased by 1.3 per cent in April 2006 compared to March 2006 due to rise in the prices of charcoal and kerosene.

Increases in the prices of diesel and petrol caused Transport and Communications index to rise by 1.0 per cent in April 2006 compared with March 2006.

Table 2 shows percentage changes in indices of broad categories of items in the month of April 2006 compared to last year (April 2005).

Table 2: One Year Change in Price Indices

Broad Item Group	% Change on Previous month
Food and Non-Alcoholic Drink	21.7
Alcohol & Tobacco	8.8
Clothing & Footwear	1.5
Housing Costs	4.5
Fuel & Power	11.0

Household Goods & Services	2.9
Medical Goods and Services	4.2
Transport & Communication	6.4
Recreation & Education	2.9
Personal Goods	2.8
Average All Groups	14.9

Over the last twelve months, Food and Non-alcoholic drinks index had the highest increase of 21.7 per cent. For instance, a kilogramme of green grams was selling at an average price of Kshs 100.50 in April 2006 compared with Kshs 55.40 in April 2005 an increase of 81.4 per cent. On average, a kilogramme of carrots was retailing at Kshs 43.10 in April 2006 compared with Kshs 29.10 in April 2005 a rise of 48.1 per cent.

Source: Kenya National Bureau of Statistics