

## CPI AND INFLATION RATES FOR THE MONTH OF FEBRUARY 2006

The Central Bureau of Statistics is pleased to release the Consumer Price Indices (CPI) and inflation rates for the month of February 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) increased by 4.0 per cent from 201.3 points in January 2006 to 209.3 points in February 2006. Month-on-month overall inflation rate increased from 15.4 per cent in January 2006 to 18.9 per cent in February 2006. On the other hand, month-on-month underlying inflation rate which excludes food items from the CPI basket declined marginally from 5.5 per cent to 5.4 per cent.

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

**Table 1: One Month Change in Prices**

<b>Broad Item Group</b>	<b>% Change on Previous month</b>
Food and Non-Alcoholic Drink	6.5
Alcohol & Tobacco	0.5
Clothing & Footwear	0.0
Housing Costs	0.2
Fuel & Power	0.4
Household Goods & Services	0.1
Medical Goods and Services	1.0
Transport & Communication	-0.7
Recreation & Education	0.6
Personal Goods	0.1

Food and non-alcoholic drink index increased by 6.5 per cent in February 2006 compared to January 2006. This was mainly attributed to rise in prices of cabbages, Kale (Sukuma wiki), dry beans, English potatoes and green grams. On average, a kilogramme of cabbages was retailing at Kshs 32.33 in February 2006 compared to Kshs 25.57 in January 2006 an increase of 26.4 per cent.

Table 2 shows some selected food items which had a substantial price rise between January 2006 and February 2006.

<b>Commodity</b>	<b>Unit</b>	<b>January 2006 Average Price</b>	<b>February 2006 Average Price</b>	<b>Percentage Change</b>
Kale (Sukuma Wiki)	1 Kg	38.83	44.32	14.1
Cabbages	1 Kg	25.57	32.33	26.4
English Potatoes	1 Kg	27.13	30.51	12.5
Green gramss	1 Kg	71.62	81.56	13.9

The retail prices of petrol and diesel were lower in February 2006 compared to January 2006 and this caused Transport and Communications index to decline by 0.7 per cent.

Table 3 shows percentage changes in indices of broad categories of items in the month of February 2006 compared to last year (February 2005)..

Table 3: One Year Change in Price Indices

<b>Broad Item Group</b>	<b>% Change on Previous month</b>
Food and Non-Alcoholic Drink	28.6
Alcohol & Tobacco	9.6
Clothing & Footwear	2.0
Housing Costs	3.9
Fuel & Power	13.2
Household Goods & Services	3.7
Medical Goods and Services	5.2
Transport & Communication	6.4
Recreation & Education	3.6
Personal Goods	3.6
<hr/> Average All Groups	18.9

Over the last twelve months, Food and Non-alcoholic drinks index had the highest increase of 28.6 per cent

*Source: Kenya National Bureau of Statistics*