

CPI AND INFLATION RATES FOR THE MONTH OF FEBRUARY 2009

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

The CPI increased by 4.78 percent from 318.02 points in January 2009 to 333.21 points in February 2009. Month-on-month overall inflation rate increased from 21.9 percent in January 2009 to 25.1 percent in February 2009. On the other hand, the month on month *underlying* inflation rate which *excludes food items* from the CPI basket decreased from a revised figure of 8.4 percent in January to 7.9 percent in February 2009.

Table 1 shows Weights and the percentage changes to the indices of broad categories of items in the month of February 2009 compared to January 2009 (previous month) and the month of February 2009 compared to February 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	6.4	33.9
Alcohol & Tobacco	2.97	1.0	12.8
Clothing & Footwear	9.00	0.5	5.4
Housing Costs	11.74	1.8	8.2
Fuel & Power	4.18	1.2	8.9
Household Goods & Services	5.82	0.5	11.1
Medical Goods and Services	1.59	4.8	17.0
Transport & Communication	5.75	0.1	3.6
Recreation & Education	6.02	1.2	5.4
Personal Goods	2.45	0.9	10.7
Average all Groups	100.00	4.8	25.1

Food and non alcoholic drinks' index, increased between the months of January and February 2009 by 6.4 percent from 438.19 points to 466.09 points. This was due to major rises in the prices of Maize flour, Maize grain, Sukuma wiki and most of the seasonal food products in general. The Nairobi lower income group of the population was the hardest hit by this rise in prices. The average price of a two kilogram packet of sifted maize flour increased by 18.48 percent from KSh.78.48 in January to KSh.92.99 in February 2009. Similarly, the average prices of Maize grain and Sukuma Wiki, increased by 12.50 and 11.77 percent, respectively.

Medical goods and services index increased by 4.8 percent, mainly due to increases in the cost of dental services, consultation fees, bed and delivery charges. These increased by 4.87, 3.19, 2.67 and 1.74 percent respectively.

Table 2: Overall CPI movement from March 2008 to February 2009: (October 1997=100)

Month	Overall CPI	% Change on Previous month	% Change over the same month one year ago
March-2008	274.55	3.1	
April-2008	281.88	2.7	26.6
May-2008	291.79	3.5	31.5
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

Source: Kenya National Bureau of Statistics