

CPI AND INFLATION RATES FOR JULY 2012

Kenya National Bureau of Statistics hereby releases Consumer Price Indices (CPI) and rates of inflation for July 2012. These numbers have been generated using data collected during the second and third weeks of the month under review. The prices were obtained from selected retail outlets in 25 data collection zones located in 13 urban centers.

As shown in Table 1 and Table 2, the CPI decreased by 0.85 per cent from 133.06 in June 2012 to 131.92 in July 2012. The overall inflation rate stood at 7.74 per cent in July 2012.

Table 1: One Month and Twelve Months' Changes in the Price Indices

| Broad Commodity Group | CPI Weight | % Change on July 2012 /June 2012) | % Change on Previous Year (July 2012/ July 2011) |
|--|---------------|-----------------------------------|--|
| Food & Non-Alcoholic Beverages | 36.04 | -1.88 | 6.63 |
| Alcoholic Beverages, Tobacco & Narcotics | 2.06 | 0.16 | 6.11 |
| Clothing & Footwear | 7.43 | 0.61 | 10.15 |
| Housing, Water, Electricity, Gas and other Fuels | 18.30 | -0.22 | 8.57 |
| Furnishings, Household Equipment and Routine Household Maintenance | 6.16 | 0.11 | 10.43 |
| Health | 3.13 | 0.29 | 6.20 |
| Transport | 8.66 | -1.35 | 5.23 |
| Communication | 3.82 | 0.00 | 7.35 |
| Recreation & Culture | 2.25 | 0.02 | 9.72 |
| Education | 3.14 | 0.08 | 7.37 |
| Restaurant & Hotels | 4.48 | 0.09 | 14.65 |
| Miscellaneous Goods & Services | 4.52 | 0.14 | 9.94 |
| Total | 100.00 | -0.85 | 7.74 |

Table 2: Overall CPI and Inflation Rates

February 2009=100

| Month | Overall CPI | Overall Rate of Inflation |
|------------|-------------|---------------------------|
| Jul-2011 | 122.44 | 15.53 |
| Aug-2011 | 123.97 | 16.67 |
| Sep-2011 | 125.23 | 17.32 |
| Oct-2011 | 127.20 | 18.91 |
| Nov-2011 | 129.13 | 19.72 |
| Dec - 2011 | 130.09 | 18.93 |
| Jan - 2012 | 130.82 | 18.31 |
| Feb-2012 | 130.76 | 16.69 |
| Mar-2012 | 132.51 | 15.61 |
| Apr-2012 | 133.74 | 13.06 |
| May-2012 | 134.09 | 12.22 |

| | | |
|----------|--------|-------|
| Jun-2012 | 133.06 | 10.05 |
| Jul-2012 | 131.92 | 7.74 |

Food and Non Alcoholic drinks' index decreased by 1.88 per cent between June and July 2012. This was mainly due to continued falls in prices of several food products such as *sukuma wiki*, milk, potatoes, tomatoes, cabbages, onions, beans, green maize and spinach in July compared to June 2012.

The Housing, Water, Electricity, Gas and Other fuels' index decreased by 0.22 per cent, between June and July 2012 mainly on account of reduced costs of electricity, kerosene and cooking gas. The average cost of consuming 50 units of electricity for instance, declined from KSh 600.00 in June to KSh 546.50 in July 2012. This decrease was as a result of reduction in both fuel cost adjustment and foreign exchange charges per KWhr in July compared to June 2012.

Similarly, over the same review period, the Transport index decreased by 1.35 per cent due to lower costs of petrol and diesel.

Z. C. Mwangi
Ag. DIRECTOR GENERAL