

### CPI AND INFLATION RATES FOR THE MONTH OF JUNE 2004

Overall Kenya CPI increased by 1.5 per cent from 160.73 points in May to 163.1 points in June 2004. In June 2004, month-on-month overall inflation rate was 5.9 per cent while month-on-month underlying inflation rate stood at 5.8 per cent.

Table 1 shows percentage changes in overall (Kenya) indices in June 2004 compared to May 2004 (previous month).

Table 1: One Month Change in Prices

Broad Item Group	% Change on Previous month
Food and Non-Alcoholic Drink	1.8
Alcohol & Tobacco	0.1
Clothing & Footwear	2.4
Housing Costs	1.1
Fuel & Power	1.5
Household Goods & Services	1.0
Medical Goods and Services	0.3
Transport & Communication	0.3
Recreation & Education	0.8
Personal Goods	1.8

Food and non-alcoholic drink index rose by 1.8 per cent in June 2004 compared to May 2004. This was mainly as a result of increase in the prices of sugar, bread, dry beans and maize grain. On average, a kilogram of sugar was retailing at Kshs 58.71 in June compared to Kshs 49.61 in May 2004 a rise of 18.3 per cent. A loaf of bread was retailing at Kshs 24.2 in June compared to Kshs 22 in May 2004.

Fuel and Power index increased by 1.5 per cent due to increase in the prices of kerosene and electricity. The rise in electricity was as a result of depreciation of the Kenya shillings against the US dollar.

Other item groups that rose during the month of June 2004 were Clothing and Footwear, Personal Goods, Transport and Communications and Household Goods and Services and Housing costs.

On average, a litre of super petrol was selling at Kshs 63.86 in June 2004 compared to Kshs 57.52 in January 2004 an increase of 11.1 per cent.

Source: Kenya National Bureau of Statistics