

CPI AND INFLATION RATES FOR THE MONTH OF NOVEMBER 2006

The Central Bureau of Statistics is pleased to release the Consumer Price Indices (CPI) and inflation rates for the month of November 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 0.3 per cent from 208.0 points in October 2006 to 208.6 points in November 2006. Month-on-month overall inflation rate decelerated from 15.7 per cent in October 2006 to 14.6 per cent in November 2006. On the other hand, month-on-month *underlying* inflation rate which *excludes food items* from the CPI basket also decreased from 6.0 per cent to 5.9 per cent.

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

Table 1: One Month Change in Prices

Broad Item Group	% Change on Previous month
Food and Non-Alcoholic Drink	0.3
Alcohol & Tobacco	-1.0
Clothing & Footwear	0.1
Housing Costs	0.7
Fuel & Power	1.1
Household Goods & Services	0.7
Medical Goods and Services	0.3
Transport & Communication	-0.7
Recreation & Education	0.0
Personal Goods	0.4

Food and non-alcoholic drink index rose by per 0.3 cent in November 2006 compared to October 2006. This was mainly attributed to increase in prices of tomatoes, sugar, English potatoes and wheat flour. On average, a 2 kilogrammes packet of wheat flour was retailing at Kshs 81.99 in November 2006 compared with Kshs 72.40 in October 2006 an increase of 13.2 per cent .

Fuel and Power index increased by 1.1 per cent in November 2006 compared with October 2006 due to rise in prices of charcoal.

Petrol prices dropped in November 2006 and this caused Transport and Communications index to decline by 0.7 per cent .

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

Table 2: One Year Change in Price Indices

Broad Item Group	% Change on Previous month
Food and Non-Alcoholic Drink	21.1
Alcohol & Tobacco	8.8
Clothing & Footwear	2.8
Housing Costs	5.9

Fuel & Power	13.0
Household Goods & Services	4.4
Medical Goods and Services	4.1
Transport & Communication	7.1
Recreation & Education	2.0
Personal Goods	1.8
<hr/> Average All Groups <hr/>	14.6

Over the last twelve months, Food and Non-alcoholic drinks index had the highest increase of 21.1 per cent.

Source: Kenya National Bureau of Statistics