

CPI AND INFLATION RATES FOR SEPTEMBER 2011

Kenya National Bureau of Statistics hereby releases the Consumer Price Indices (CPI) and inflation rates for September 2011. These numbers have been generated using data collected within 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 reflected in Table 1 and Table 2, the CPI increased by 1.02 per cent from 123.97 in August to 125.23 in September 2011. The overall inflation rate stood at 17.32 per cent in September 2011.

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

Broad Commodity Group	CPI Weight	% Change on September 2011 / August 2011)	% Change on Previous Year (September 2011/ September 2010)
Food & Non-Alcoholic Beverages	36.04	0.98	24.37
Alcoholic Beverages, Tobacco & Narcotics	2.06	0.83	11.85
Clothing & Footwear	7.43	0.93	8.69
Housing, Water, Electricity, Gas and other Fuels	18.30	1.13	14.09
Furnishings, Household Equipment and Routine Household Maintenance	6.16	1.05	9.80
Health	3.13	0.54	8.03
Transport	8.66	0.91	24.77
Communication	3.82	-0.07	-1.20
Recreation & Culture	2.25	0.20	8.20
Education	3.14	0.10	4.41
Restaurant & Hotels	4.48	2.18	18.13
Miscellaneous Goods & Services	4.52	0.63	8.57
Total	100.00	1.02	17.32

Table 2: Overall CPI and Inflation Rates**February 2009=100**

Month	Overall CPI	Overall rate of Inflation
Sep-2010	106.74	3.21
Oct-2010	106.97	3.18
Nov-2010	107.86	3.84
Dec-2010	109.38	4.51
Jan-2011	110.57	5.42
Feb-2011	112.05	6.54
Mar-2011	114.62	9.19
Apr-2011	118.29	12.05
May-2011	119.48	12.95
Jun-2011	120.91	14.49
Jul-2011	122.44	15.53
Aug-2011	123.97	16.67
Sep-2011	125.23	17.32

Food and Non Alcoholic drinks' index went up by 0.98 per cent between August and September 2011 as a result of price increases of a number of food products such as sugar, beef, bread, milk and potatoes. The average price of a kilogram of sugar, for instance continued to rise from an average of KSh 155.10 in August to KSh 161.82 in September 2011. However, between the two months, there were notable falls of 3.9, 3.1 and 3.7 per cent, respectively in the prices of carrots, maize flour and maize grains among other food items.

Restaurants and Hotels' index increased by 2.18 per cent between August and September 2011 due to continued increases in the costs of café and takeaway, restaurants and hotel foods. For instance a meal of *Ugali Mboga* from an ordinary hotel which costed KSh 54.67 on average in September 2010, would retail at KSh 68.83 in September 2011.

Housing, Water, Electricity, Gas and Other fuels' index went up by 1.13 per cent during the review period. The rise was attributed to increased cost of electricity, house rents and cooking fuels. As a result of higher fuel and foreign exchange adjustment charges, the cost of consuming 50 units of electricity for example varied from KSh 657.5 in July to KSh. 695.5 in August 2011 and to KSh 721.00 in September 2011