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

The Central Bureau of Statistics is pleased to release the Consumer Price Indices (CPI) and inflation rates for the month of September 2004, 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 the Kenyan urban households.

Consumer Price Index (CPI) rose by 2.0 per cent from 168.6 points in August 2004 to 172 points in September 2004. Month-on-month overall inflation rate increased from 15.8 per cent in August 2004 to 19.0 per cent in September 2004. Month-on-month underlying inflation rate which excludes food items in the CPI basket, on the other hand was 9.5 per cent in September 2004 compared to 8.4 per cent in August 2004.

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

### Table 1: One Month Change in Prices

| Broad Item Group | % Change on Previous month |
| --- | --- |
| Food and Non-Alcoholic Drink | 2.8 |
| Alcohol & Tobacco | 0.8 |
| Clothing & Footwear | 0.5 |
| Housing Costs | 0.0 |
| Fuel & Power | 4.9 |
| Household Goods & Services | 0.6 |
| Medical Goods and Services | 0.4 |
| Transport & Communication | 0.9 |
| Recreation & Education | 0.2 |
| Personal Goods | 0.5 |

Food and non-alcoholic drink index rose by 2.8 per cent in September 2004 compared to August 2004, mainly as a result of increase in prices of vegetables such as onions, kales (sukuma wiki) and cabbages.

Fuel and Power index increased by 4.9 per cent in mainly due to rise in prices of electricity and kerosene. Electricity cost was high due to upward adjustment of fuel and forex tariffs. On average, a litre of kerosene was selling at Kshs 43.13 in September 2004 compared to Kshs 40.98 in August 2004.

The Transport and Communications index rose on account of increase in the prices of petrol and diesel. The price of diesel was retailing at Kshs 53.47 in September 2004 compared to Kshs 51.64 in August 2004.

*Source: Kenya National Bureau of Statistics*