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 by1.88 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.

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