CPI AND INFLATION RATES FOR JANUARY 2012

Kenya National Bureau of Statistics hereby releases Consumer Price Indices (CPI) and rates of inflation for January 2012. 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 0.56 per cent from 130.09 in December 2011 to 130.82 in January 2012. The overall inflation rate stood at 18.31 per cent in January 2012.

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

Broad Commodity Group	CPI Weight	% Change on January 2012 /December 2011)	% Change on Previous Year (January 2012/ January 2011)
Food & Non-Alcoholic Beverages	36.04	0.58	24.58
Alcoholic Beverages, Tobacco & Narcotics	2.06	0.77	16.43
Clothing & Footwear	7.43	0.76	11.56
Housing, Water, Electricity, Gas and other Fuels	18.30	0.49	14.72
Furnishings, Household Equipment and Routine Household Maintenance	6.16	0.85	13.25
Health	3.13	1.16	7.11
Transport	8.66	-1.47	22.42
Communication	3.82	-0.02	7.29
Recreation & Culture	2.25	1.86	11.71
Education	3.14	4.26	5.66
Restaurant & Hotels	4.48	0.96	19.95
Miscellaneous Goods & Services	4.52	1.03	12.07
Total	**100.00**	**0.56**	**18.31**

Table2: Overall CPI and Inflation Rates **February 2009=100**

Month	Overall CPI	Overall Rate of Inflation
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
Oct-2011	127.20	18.91
Nov-2011	129.13	19.72
Dec - 2011	130.09	18.93
Jan - 2012	130.82	18.31

Food and Non Alcoholic drinks' index went up by 0.58 per cent between December 2011 and January 2012.This small increase was a net effect of both rises and falls in the prices of a number of food products. For instance, the prices of tomatoes, sukuma wiki, potatoes, cabbages and onions went up by 14.97, 13.31, 12.43, 25.26 and 14.19 per cent, respectively, between the two months. On the other hand, the prices of sugar, maize flour, rice, green maize and maize grain went down by 13.19, 3.47, 2.35, 4.00 and 1.36 per cent, respectively, over the same period.

Housing, Water, Electricity, Gas and Other fuels' index went up by 0.49 per cent between December 2011 and January 2012. Whereas the cost of several house rents recorded increases, notable falls in the prices of electricity and kerosene were recorded over the same period. Due to reduced fuel and forex adjustment charges, the cost of consuming 50 units of electricity for example went down from KSh 736 in December 2011 to KSh 582 in January 2012.

The Transport index went down by 1.47 per cent between December 2011 and January 2012 as a result of falls in matatu, bus and taxi fares that was attributed to reductions of 4.59 and 1.70 per cent respectively in the prices of petrol and diesel.

Education and health indices went up by 3.14 and 3.13 per cent respectively due to higher costs of school fees, text books, medicines and treatment charges observed in January 2012 compared to December 2011. However, over the same period, lower costs of telephone handsets resulted in a 0.02 per cent reduction in the communications index.