

CPI AND INFLATION RATES FOR THE MONTH OF FEBRUARY 2007

The Central Bureau of Statistics is pleased to release the Consumer Price Indices (CPI) and inflation rates for the month of February 2007, 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 1.3 per cent from 220.7 points in January 2007 to 223.6 points in February 2007. Month-on-month overall inflation rate decelerated from 9.7 per cent in January 2007 to 6.8 per cent in February 2007. On the other hand, month-on-month *underlying* inflation rate which *excludes food items* from the CPI basket also declined from 6.4 per cent in January 2007 to 6.1 per cent in February 2007.

Prices of some food commodities declined in February 2007 compared to February 2006 and thus the low inflation rates. In the first quarter of 2006, prices of foodstuffs were high due to drought.

Table 1 shows price changes of some selected items in the month of February 2007 compared to February 2006.

Table 1: One year Change in Prices

Item	Unit	Price 2006	Price 2007	% Change
Sukuma Wiki (Kale)	1 Kg	44.32	21.0	-52.6
Cabbages	1 Kg	32.33	18.8	-41.8
English Potatoes	1 Kg	30.52	23.4	-23.3
Green grams	1 Kg	81.56	67.8	-16.9

Table 2 shows percentage changes in indices of broad categories of items in the month of February 2007 compared to January 2007 (previous month).

Table 1: One Month Change in Prices

Broad Item Group	% Change on Previous month
Food and Non-Alcoholic Drink	2.1
Alcohol & Tobacco	0.1
Clothing & Footwear	0.1
Housing Costs	-0.1
Fuel & Power	-0.7
Household Goods & Services	0.2
Medical Goods and Services	0.2
Transport & Communication	-0.1
Recreation & Education	0.0
Personal Goods	0.3

Food and non-alcoholic drink index rose by 2.1 per cent in February 2007 compared to January 2007 mainly due to rise in prices of tomatoes, onions, chicken, eggs and fish. On average, a kilogramme of tomatoes was retailing

at Kshs 71.50 in February 2007 compared to Kshs 58.65 in January 2007 an increase of 21.8 per cent.

Fuel and Power index declined by 0.7 per cent in February 2007 compare with January 2007 due to fall in prices of kerosene.

Table 3 shows some selected items which had high price changes over the last twelve months.

Table 3: One year Change in Prices

Item	Unit	Price 2006	Price 2007	% increase
Tomatoes	1 Kg	40.06	71.5	78.5
Onions	1 Kg	42.70	58.4	36.8
Sugar	1 Kg	58.43	79.1	35.4

Retail prices of tomatoes, onions and sugar had the highest increase in February 2007 compared with February 2006.

Source: Kenya National Bureau of Statistics