

CPI AND INFLATION RATES FOR THE MONTH OF December 2010

Kenya National Bureau of Statistics hereby releases the Consumer Price Indices (CPI) and inflation rates pertaining to the month of December 2010 (base period, February 2009). The numbers have been generated through data collected from selected retail outlets in 25 data collection zones located in 13 urban centers. This data is normally collected within the second and third weeks of the month of review.

As indicated in Table 1 below, the CPI increased by 1.41 percent from 107.86 in November 2010 to 109.38 in December 2010. The overall inflation rate, stood at 4.51 percent in December 2010.

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

Broad Commodity Group	New CPI Weight	% Change on Previous Month (December 2010 / November 2010)	% Change on Previous Year (December 2010/ December 2009)
Food & Non-Alcoholic Beverages	36.04	1.76	7.84
Alcoholic Beverages, Tobacco & Narcotics	2.06	0.04	5.07
Clothing & Footwear	7.43	0.67	2.92
Housing, Water, Electricity, Gas and other Fuels	18.3	0.85	2.25
Furnishings, Household Equipment and Routine Household Maintenance	6.16	0.38	3.32
Health	3.13	1.75	5.41
Transport	8.66	3.45	7.57
Communication	3.82	0.96	-23.42
Recreation & Culture	2.25	2.18	3.29
Education	3.14	0	1.84
Restaurant & Hotels	4.48	1.63	6.06
Miscellaneous Goods & Services	4.52	0.42	2.2
Total	100	1.41	4.51

The Food and Non Alcoholic drinks' index went up by 1.76 percent between the months of November and December 2010. This was attributed to cost increases recorded in respect of a

number of food products including Tomatoes, Beef, Milk and Cooking fat whose retail prices went up by 9.6, 1.6, 1.5 and 2.4 percent, respectively. For instance a Kilogram of Beef with bones was retailing at an average price of KSh 258.00 in December compared to KSh 254.00 in November 2010.

The Housing, Water, Electricity, Gas and Other fuels' index went up by 0.85 percent between the months of November and December 2010 mainly on account of higher costs of Cooking gas, Kerosene and Charcoal. The Prices of these three went up by an average of 5.4, 6.7 and 3.1 percent, respectively, between the two months.

Similarly, the Transport Index rose by 3.45 percent, mainly due to higher costs of Matatu and Bus fares. The retail prices of these two service items went up by 3.9 and 8.9 percent, respectively between the months of November and December 2010. However, on average a marginal decline of 0.9 percent was recorded in respect of the price of petrol.

Table 2: Overall CPI and Inflation Rates

February 2009=100

Month	Overall CPI	Overall rate of Inflation
Dec-09	104.66	
Jan-10	104.89	
Feb-10	105.18	5.18
Mar-10	104.97	3.97
Apr-10	105.56	3.66
May-10	105.79	3.88
Jun-10	105.61	3.49
Jul-10	105.98	3.57
Aug-10	106.25	3.22
Sep-10	106.74	3.21
Oct-10	106.97	3.18
Nov-10	107.86	3.84
Dec-10	109.38	4.51