

CPI AND INFLATION RATES FOR THE MONTH OF JULY 2011

Kenya National Bureau of Statistics hereby releases the Consumer Price Indices (CPI) and inflation rates for July 2011. 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 1.27 per cent from 120.91 in June to 122.44 in July 2011. The overall inflation rate stood at 15.53 per cent in July 2011.

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

Broad Commodity Group	CPI Weight	% Change on Previous Month (July 2011 / June 2011)	% Change on Previous Year (July 2011 / July 2010)
Food & Non-Alcoholic Beverages	36.04	1.71	24.02
Alcoholic Beverages, Tobacco & Narcotics	2.06	1.64	12.02
Clothing & Footwear	7.43	1.03	7.45
Housing, Water, Electricity, Gas and other Fuels	18.30	0.85	12.55
Furnishings, Household Equipment and Routine Household Maintenance	6.16	1.18	9.07
Health	3.13	0.44	7.74
Transport	8.66	0.88	23.62
Communication	3.82	1.26	-25.18
Recreation & Culture	2.25	0.71	7.82
Education	3.14	0.00	4.07
Restaurant & Hotels	4.48	2.17	15.84
Miscellaneous Goods & Services	4.52	0.78	7.90
Total	100.00	1.27	15.53

Table 2: Overall CPI and Inflation Rates

February 2009=100

Month	Overall CPI	Overall rate of Inflation
Jul-2010	105.98	3.57
Aug-2010	106.25	3.22
Sep-2010	106.74	3.21
Oct-2010	106.97	3.18
Nov-2010	107.86	3.84
Dec-2010	109.38	4.51
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

Food and Non Alcoholic drinks' index went up by 1.71 per cent between June and July 2011. This was attributed to cost increases recorded in respect of maize flour, maize grain, sugar and rice. The average price of a 2 Kg packet of sifted maize flour, for instance continued to increase from KSh 130 in June and to KSh 136 in July 2011. Sugar prices likewise, surprisingly surged upwards by 19.43 per cent from an

average of KSh 102.95 per Kilogram recorded in June to KSh 122.38 in July 2011. However between the two months, there were notable falls in the prices of potatoes, onions, Sukuma wiki, cabbages and carrots by 4.03, 6.62, 1.16, 1.34 and 2.40 per cent, respectively.

Housing, Water, Electricity, Gas and Other fuels' index went up by 0.85 per cent during the period under review mainly due to slow but continued increases in the costs of house rents and cooking fuels.

Restaurants and Hotels' index increased by 2.17 per cent between June and July 2011 due to increases in the costs of café, takeaway, restaurants and hotel foods. For instance, the price of a meal of *Chips \Chicken* went up by 8.19 per cent while that of *Ugali Nyama* went up by 3.94 per cent during the review period