CPI AND INFLATION RATES FOR THE MONTH OF JUNE 2011

Kenya National Bureau of Statistics hereby releases the Consumer Price Indices (CPI) and inflation rates for June 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 1.19 per cent from 119.48 in May to 120.91 in June 2011. The overall inflation rate stood at 14.49 per cent in June 2011.

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

Broad Commodity Group	CPI Weight	% Change on Previous Month (June 2011 / May 2011)	% Change on Previous Year (June 2011/ June 2010)
Food & Non-Alcoholic Beverages	36.04	1.68	22.52
Alcoholic Beverages, Tobacco & Narcotics	2.06	4.21	11.48
Clothing & Footwear	7.43	0.60	6.53
Housing, Water, Electricity, Gas and other Fuels	18.30	0.77	11.93
Furnishings, Household Equipment and Routine Household Maintenance	6.16	1.15	8.23
Health	3.13	0.48	7.26
Transport	8.66	0.40	22.71
Communication	3.82	-1.18	-26.00
Recreation & Culture	2.25	0.50	7.21
Education	3.14	0.11	4.26
Restaurant & Hotels	4.48	1.15	13.71
Miscellaneous Goods & Services	4.52	0.75	7.24
Total	**100.00**	**1.19**	**14.49**

Table 2: Overall CPI and Inflation Rates

February 2009=100

Month	Overall CPI	Overall rate of Inflation
Jun-2010	105.61	3.49
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

Food and Non Alcoholic drinks' index went up by 1.68 per cent between May and June 2011. This was attributed to cost increases recorded in respect of maize flour, maize grain, carrots, sugar and rice. The average price of a 2 Kg packet of sifted maize flour, for instance increased from KSh. 95 in April to KSh 109 in May and to KSh 130 in June 2011. However between the two months, there were notable falls in the prices of potatoes, sukuma wiki and green maize by 9.47, 4.80, and 2.29 per cent, respectively.

Alcoholic beverages, Tobacco and Narcotics Index rose by 4.21 per cent, mainly due to increases in the cost of cigarettes and beer by 6.36 and 2.12 per cent, respectively.

Housing, Water, Electricity, Gas and Other fuels' index went up by 0.77 per cent during the period under review mainly on account of increases in the prices of electricity and charcoal. Foreign exchange cost adjustment charge was the main contributor to the higher cost of electricity whereby for every Kwh it rose from KSh 0.81 in May to KSh 1.38 in June 2011.