CPI AND INFLATION RATES FOR THE MONTH OF APRIL 2005

The Central Bureau of Statistics is pleased to release the Consumer Price Indices (CPI) and inflation rates for the month of April 2005, 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 the Kenyan urban households. The price data is collected in the second and third week of the month in the selected retail outlets in order to maintain consistency in price variations.

Consumer Price Index (CPI) increased by 2.7 per cent from 178.6 points in March 2005 to 183.4 points in April 2005. The month-on-month overall inflation rate rose from 14.1 per cent in March 2005 to 16.0 per cent in April 2005. During the same period, month-on-month underlying inflation rate which excludes food items from the CPI basket also rose from 7.3 per cent to 8.0 per cent.
Table 1 shows percentage changes in overall (Kenya) indices in April 2005 compared to March 2005 (previous month).

Table 1: One Month Change in Prices

Broad Item Group	% Change on Previous month
Food and Non-Alcoholic Drink	4.0
Alcohol & Tobacco	1.4
Clothing & Footwear	0.7
Housing Costs	0.1
Fuel & Power	2.8
Household Goods & Services	0.7
Medical Goods and Services	1.0
Transport & Communication	0.9
Recreation & Education	0.1
Personal Goods	0.5

Food and non-alcoholic drink index rose by 4.0 per cent in April 2005 compared to March 2005, mainly as a result of increases in prices of sugar, onions and English potatoes. Due to insufficient rainfall in the first quarter of 2005, prices of vegetables such as tomatoes, kale (sukuma wiki) and cabbages also increased in April 2005 compared with the previous month. On average, a kilogram of sugar was retailing at Kshs 71.21 in April 2005 compared to Kshs 49.60 in April 2004 a rise of 43.6 per cent on account of supply constraints.

Electricity cost, charcoal and kerosene prices edged upwards in April 2005 and this caused Fuel and Power index to rise by 2.8 per cent. In April 2005, a litre of paraffin was selling at Kshs 47.43 compared with Kshs 36.53 in April 2004 an annual increase of 29.8 per cent.

Medical goods and services index increased by 1.0 per cent in April 2005 compared with March 2005 as a result of rise in the prices of selected drugs.

During the month under review, prices of petrol and diesel went up compared to previous month and this caused the Transport and Communication index to increase by 0.9 per cent.

Source: Kenya National Bureau of Statistics