CPI AND INFLATION RATES FOR THE MONTH OF OCTOBER 2010

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

As indicated in Table 1 below, the CPI increased by 0.13 percent from 106.74 in September 2010 to 106.88 in October 2010. Month-on-month overall inflation rate, stood at 3.09 percent in October 2010.

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

Broad Commodity Group	New CPI Weight	% Change on Previous Month (September 2010 / August 2010)	% Change on Previous Year (September 2010/ September 2009)
Food & Non-Alcoholic Beverages	36.04	0.20	5.63
Alcoholic Beverages, Tobacco & Narcotics	2.06	0.45	5.84
Clothing & Footwear	7.43	0.33	3.35
Housing, Water, Electricity, Gas and other Fuels	18.30	0.38	2.07
Furnishings, Household Equipment and Routine Household Maintenance	6.16	0.31	3.80
Health	3.13	0.12	3.89
Transport	8.66	0.36	4.98
Communication	3.82	0.09	-24.95
Recreation & Culture	2.25	0.12	1.03
Education	3.14	0.04	1.70
Restaurant & Hotels	4.48	0.21	4.41
Miscellaneous Goods & Services	4.52	0.27	1.46
Total		**0.13**	**3.09**

	100.00

The Food and Non Alcoholic drinks' index went up by 0.20 percent between the months of September and October 2010. This was attributed to the aggregate rise in the prices of a number of food items slightly outweighing falls in the prices of others. Some of these price increases were recorded in respect of Bread, Wheat flour, Milk and Beef by 0.9, 0.5, 3.6 and 1.2 percent, respectively. On the other hand the prices of Sukuma Wiki, Cabbages, Maize flour, Onions and Potatoes fell by 5.7, 10.0, 1.8, 5.1 and 1.7 percent, respectively. For instance a 2 Kg packet of sifted Maize flour was retailing at an average price of KSh 61.91 in October 2010 compared to KSh 63.07 in September 2010, a drop of 1.8 percent.

The Communication index declined by 24.95 percent between the months October 2010 and the same month in 2009 on account of the prevailing significant falls in the cost of airtime. However, the transport index went up slightly by 0.36 percent mainly as a result of increase in the price of petrol from an average price of Ksh 92.50 in September to Ksh 94.13 in October 2010.

Table 2: Overall CPI and Inflation Rates

February 2009=100

Month	Overall CPI	Overall rate of Inflation
Oct-2009	103.68	
Nov-2009	103.87	
Dec-2009	104.66	
Jan-2010	104.89	
Feb-2010	105.18	5.18
Mar-2010	104.97	3.97
Apr-2010	105.56	3.66
May-2010	105.79	3.88
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	106.88	3.09

Source: Kenya National Bureau of Statistics