

CPI AND INFLATION RATES FOR AUGUST 2012

Kenya National Bureau of Statistics hereby releases Consumer Price Indices (CPI) and rates of inflation for August 2012. These numbers have been generated using data collected during 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 shown in Table 1 and Table 2, the CPI decreased by 0.31 per cent from 131.92 in July 2012 to 131.51 in August 2012. The overall inflation rate stood at 6.09 per cent in August 2012.

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

Broad Commodity Group	CPI Weight	% Change on August 2012 /July 2012)	% Change on Previous Year (August 2012/ August 2011)
Food & Non-Alcoholic Beverages	36.04	-1.09	3.62
Alcoholic Beverages, Tobacco & Narcotics	2.06	0.23	6.05
Clothing & Footwear	7.43	0.39	9.36
Housing, Water, Electricity, Gas and other Fuels	18.30	0.80	8.52
Furnishings, Household Equipment and Routine Household Maintenance	6.16	0.24	10.21
Health	3.13	0.09	5.26
Transport	8.66	-0.82	3.38
Communication	3.82	0.00	7.35
Recreation & Culture	2.25	0.32	9.90
Education	3.14	0.02	7.00
Restaurant & Hotels	4.48	0.55	12.67
Miscellaneous Goods & Services	4.52	0.17	8.99
Total	100.00	-0.31	6.09

Table 2: Overall CPI and Inflation Rates**February 2009=100**

Month	Overall CPI	Overall Rate of Inflation
Aug-2011	123.97	16.67
Sep-2011	125.23	17.32
Oct-2011	127.20	18.91
Nov-2011	129.13	19.72
Dec - 2011	130.09	18.93
Jan - 2012	130.82	18.31
Feb-2012	130.76	16.69
Mar-2012	132.51	15.61
Apr-2012	133.74	13.06
May-2012	134.09	12.22
Jun-2012	133.06	10.05
Jul-2012	131.92	7.74
Aug-2012	131.51	6.09

During the review period, the Food and Non Alcoholic drinks' index decreased by 1.09 per cent. This is as result of decreases in the prices of a number of food products. In this regard the prices of tomatoes, milk, potatoes, maize flour, cabbages, carrots, spinach and onions declined by 7.4, 3.3, 5.3, 2.4, 6.9, 7.6, 5.2 and 4.1 per cent, respectively, between the months of July and August 2012. Though notable price rises were observed in respect of some other food products in the same period, the net effect was a reduction in the food index.

Housing, Water, Electricity, Gas and Other fuels' index went up by 0.80 per cent between July and August 2012. The increase in the index resulted from significantly higher costs of electricity, house rents and some cooking fuels despite, the fall in the average prices of kerosene and cooking gas. The upsurge in electricity prices was brought about by increases in the fuel cost adjustment and foreign exchange charges.

The Transport index went down by 0.82 per cent between July 2012 and August 2012 mainly due to falls in matatu, bus and taxi fares that reflect the continued trend in reductions of petrol and diesel prices.