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CONSUMER PRICE INDEX (CPI) FOR FEBRUARY 2006: PRESS RELEASE

In February 2006, the prices of commodities in the CPI basket decreased slightly in all centers. Prices decreased more in Kenema (1.03 per cent) than in Bo (0.76 per cent), Makeni (0.32 per cent) and Freetown (0.17 per cent). However, consumers in these towns were paying more for items in the CPI basket in February 2006 than they did in February 2005. Double digits year-on-year rates of inflation were recorded in February 2006. The Year-on-year rates of inflation (i.e. the CPI for the reference month compared with that for the same month last year) decreased in Freetown from 13.85 per cent in January 2006 to 13.63 per cent in February 2006 and in Kenema from 14.11 per cent to 12.11 per cent during the period under review. On the contrary, the year-on-year rates of inflation slightly increased in Bo from 12.13 per cent in January 2006 to 12.41 per cent in February 2006 and in Makeni from 9.29 per cent to 9.96 per cent during the same period

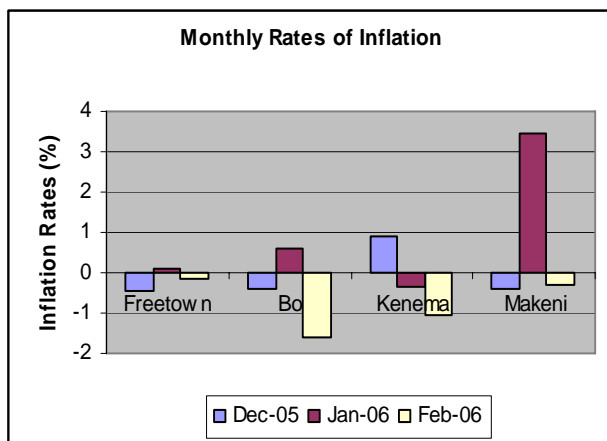


Figure 1a

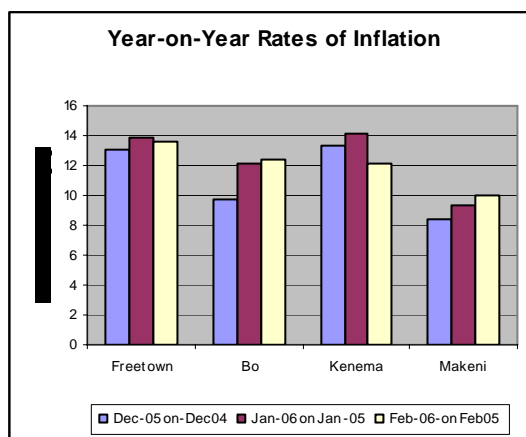


Figure 1b

FACTORS INFLUENCING CHANGES IN THE MONTHLY RATE OF INFLATION

The decreases in the CPI in all centers during the month of February was due to slight decreases in the prices of most food products reinforced by decreases in the prices of Beverages and Tobacco or Non-Food products. In Freetown, there was an overall increase in the price of Food(0.47 per cent) due to the increase in the prices of Meat and Poultry, Fish, Milk and Milk Products and Coffee, Tea and Cocoa which outweighed the slight decreases in the prices of Rice, and Other Cereals, Oil, Sugar, Salt and Condiments. Price decreases were recorded in Bo for all main expenditure groups; Food (0.03 per cent), Beverages and Tobacco (0.37 per cent) and Non-Food products (1.62 per cent). The decrease in the price of Food in Makeni (1.01 per cent) and Kenema (2.83 per cent) outweighed the increases in the prices of Beverages and Tobacco (4.67 per cent and 0.17 per cent respectively) and Non- Food products (0.51 per cent and 1.44 per cent respectively)

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 The all- items consumer price index (CPI) is the main measure of what is commonly called inflation. It measures the change in prices, on average, from month to month, of the goods and services bought by most households, in Freetown, Bo, Kenema and Makeni including all expenditure groups and both families and single persons. Prices are collected for 251 items. All prices collected are the prevailing retail market prices from six (6) markets in the Greater Freetown area, three (3) Markets in Bo Town, three (3) markets in Kenema Town and two (2) markets in Makeni Town for weekly prices and other outlets for monthly items whose prices are less likely to fluctuate rapidly.

For More Detailed Information: Subscribe to the Detailed CPI Report.

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More information can also be obtained from our website: www.statistics.sl

Next press release expected 19th April 2006

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