



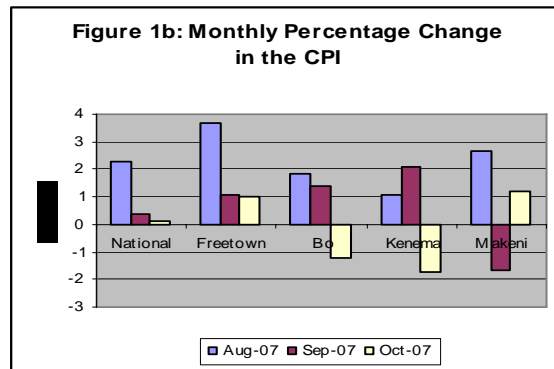
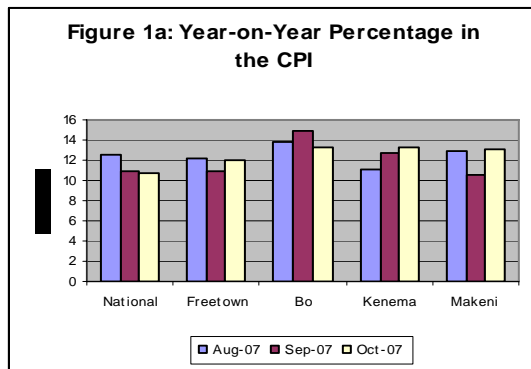
CONSUMER PRICE INDEX (CPI) OCTOBER 2007: PRESS RELEASE
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THE INTERIM NATIONAL RATE OF INFLATION DECREASES SLIGHTLY

The composite annual rate of inflation decreased by 0.30 percentage point from 10.99 percent in September 2007 to 10.69 percent in October 2007. The monthly rate of inflation for October 2007 was 0.09 percent when compared with the monthly rate of inflation of 0.37 percent in September 2007. The October 2007 monthly inflation rate was therefore down by 0.28 percentage point when compared with the September 2007 inflation figure which was 0.37 percent.

In the month of October 2007, the year-on year inflation rates decreased in varying magnitudes in Freetown and Makeni while the Bo and Kenema year-on- year rates of inflation increased also in similar magnitudes. The composite monthly indices for Freetown, Bo and Kenema decreased by 1.02 percent, -1.2 percent, and -1.8 percent respectively while the Makeni monthly rate of inflation increased by 1.2 percent. Figures 1a and 1b below illustrate the movement in the year-on-year rates of inflation and monthly rates of inflation respectively for Composite CPI and other CPI centres while Table 1 below shows Composite CPI for the months of August 2007 through October 2007 and the 12 month change in the CPI for main index groups.

Moreover, in the old CPI series (1992=100), the year-on-year rate of inflation (i.e. comparing the rate of inflation in the current month with the rate of inflation in the same month last year) increased in Freetown from 11.53 percent in September 2007 to 13.34 percent in October 2007, in Bo from 13.96 percent to 15.90, in Kenema from 11.34 to 14.80 and in Makeni from 10.39 percent to 10.80 percent during the same period.



FACTORS INFLUENCING CHANGES IN THE MONTHLY RATE OF INFLATION

The combined monthly CPI (2003=100) for October 2007 increased marginally from 164.51 in September 2007 to 164.67 in October 2007 as a result of the varying increases in the indices for Housing, Water, Electricity, Gas and other Fuel products including maintenance and repair of dwellings (0.26 percent) and Electricity, gas and other fuels (0.44 percent). The Housing, Water, Electricity, Gas and Other Fuels index therefore increased by 0.30 percent. Moreover, the indices for Non-alcoholic beverages increased by 0.79 percent, Glassware, tableware and household utensils by 0.81 percent, Catering services by 8.43 percent and Secondary Education by 1.91 percent. Increased supply of Electricity, gas and other fuel products in the markets in all centres during the month of October 2007 could be due to the increase in importation of gas and other fuel products coupled with seasonal increase in the local production of some of these products. The decreases recorded in the cost of meat (-0.28 percent), fish and seafood (-1.18 percent), fruit (0.86 percent), vegetables (-4.15 percent), spirits (-5.28 percent) wine (-1.53 percent), clothing materials (-2.85 percent), shoes and other footwear (-0.36 percent), household textiles (-0.23 percent) and Non-durable household goods (-3.27 percent) were not sufficient to offset the increase in the composite CPI, during the month of October 2007

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

For More Detailed Information: Subscribe to the Detailed CPI Report. Please Contact: The Statistician General, Statistics Sierra Leone P. O. Box 595, Tower Hill, Freetown, SIERRA LEONE Telephone: (232) 22- 223287 Call: (232) 76 – 609989 Facsimile: (232) 22- 223897 E-Mail: statistics@sierratel.sl/statistics@statistics.sl

National CPI and Year-on-Year Rates of Inflation by Main COICOP Groups (2003=100)

		Oct-06	July-07	Aug-07	Sept-07	Oct-07			
COICOP	WEIGHT	Month Previous Year -	Month m-3 for Current Year,	Month m-2 for Current Year	Month m-1 for Current Year	Month m for Current Year	Monthly Change	3 Months Change	12 months Change
O	a	b	c	d	e	f	g	h	i
Food & Non-Alcoholic Bev.	50.81	144.14	158.36	164.32	165.70	165.04	-0.40	4.22	14.50
Alcoholic Bev. Tob. & Narcotics	2.50	116.17	121.62	129.44	127.61	126.06	-1.22	3.65	8.51
Clothing And Footwear	8.11	118.87	121.09	123.61	125.55	125.16	-0.31	3.36	5.29
Housing, Water, Electricity, Gas & Other Fuels	9.63	172.96	174.55	174.75	170.85	171.36	0.30	-1.83	-0.92
Furnishing, H/hold Equipt & H/hold Maint.	4.01	142.16	147.96	150.33	152.92	151.40	-1.00	2.32	6.49
Health	3.55	373.03	429.59	433.30	433.79	433.76	-0.01	0.97	16.28
Transport	6.40	138.88	144.82	144.64	145.19	145.22	0.03	0.28	4.57
Communication	0.72	135.03	134.41	134.41	134.41	134.41	0.00	0.00	-0.45
Recreation And Culture	5.24	131.24	139.43	141.35	143.16	144.10	0.65	3.35	9.79
Education	1.62	105.39	107.23	107.96	107.66	109.73	1.91	2.33	4.12
Restaurant And Hotels	4.26	121.21	135.28	130.71	126.56	137.23	8.43	1.44	13.22
Miscellaneous G&S	3.18	120.10	125.31	126.78	129.62	130.74	0.86	4.34	8.86
All Items	100.00	148.76	160.29	163.91	164.51	164.67	0.09	2.73	10.69

Column Description

Column O : COICOP 12 Functions

Column A : CPI Weighting

Column B : CPI Of The Given Month (M) For Previous Year

Column C : CPI Of The Given Month (M -3) For Current Year

Column D : CPI Of The Given Month (M -2) For Current Year

Column E : CPI Of The Given Month (M -1) For Current Year

Column G : CPI Monthly Change In % ((F-E) X 100 /E)

Column H : CPI 3 Months Change In % ((F-C) X 100 /C)

Column I : CPI 12 Months Change In % ((F-B) X 100/B).

The Interim National CPI 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. The National Index was computed by aggregating the CPI for the four index towns previously published separately with different base periods. The old CPI series for Bo, Kenema, Makeni and Freetown were rebased to base year 2003. Computation methodology changed from the Modified to the Traditional Laspeyres, and transformed into the Classification of Individual Consumption by Purpose (COICOP) with 12 functions. The separate center CPIs were aggregated at the sub-class level.