



## CONSUMER PRICE INDEX (CPI) JUNE 2007: PRESS RELEASE

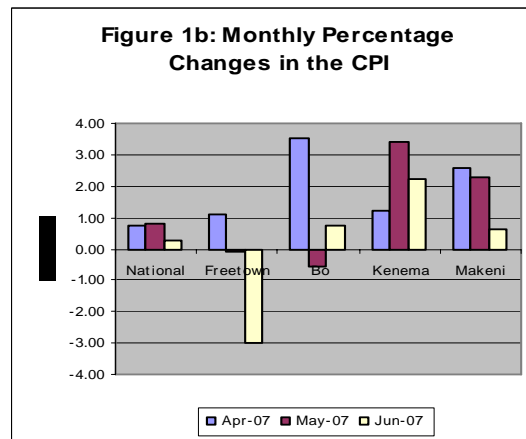
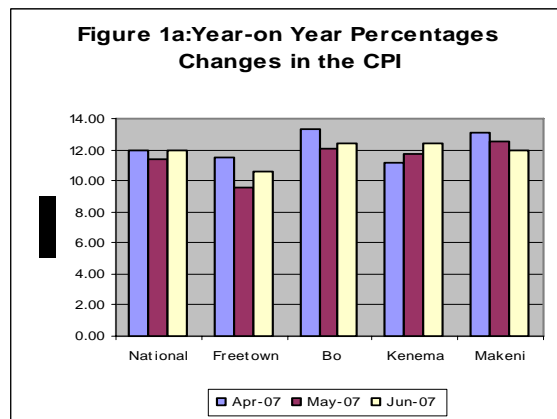
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### THE INTERIM NATIONAL RATE OF INFLATION INCREASES SLIGHTLY

The composite annual rate of inflation increased by 0.63 percentage point from 11.36 per cent in May 2007 to 11.99 per cent in June 2007. The monthly rate of inflation for June 2007 was 0.28 per cent when compared with the monthly rate of inflation of 0.80 per cent in May 2007. The June 2007 inflation rate was therefore down by 0.52 percentage point when compared with the May 2007 inflation figure which was 0.80 per cent.

During the month of June 2007, inflation rates increased in all centres. 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 March 2007 to June 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 10.02 per cent in May 2007 to 10.22 per cent in June 2007, in Bo from 12.89 per cent to 13.65 per cent, in Kenema from 10.76 per cent to 11.01 per cent and in Makeni from 13.0 per cent to 13.90 per cent during the same month.



### FACTORS INFLUENCING CHANGES IN THE MONTHLY RATE OF INFLATION

The overall composite monthly CPI (2003=100) for June 2007 increased from 158.92 in May 2007 to 159.36 in June 2007 as a result of the increases in the indices for Food products like vegetables (1.09 per cent), oils and fats (6.02 per cent), milk, cheese and eggs (2.10 per cent), fish and seafood (1.44 per cent), meat (1.34 per cent) and bread (0.53 per cent). As a result of this, the Food index increased by 0.86 per cent. Moreover, the indices for Clothing increased by 1.73 per cent, Footwear by 2.28 per cent, Actual rentals for housing by 4.03 per cent, Household textiles by 0.47 per cent and Transport services by 0.83 per cent. There was a shortfall in the supply of food products in the markets in all centres during the month of June 2007 which may be due mainly to the observed hesitant import business activity preceding the 2007 General Elections coupled with seasonal decline in the production of some of these food products. The decreases recorded in the cost of Narcotics (1.98 per cent), Glassware, tableware and household utensils (0.39 per cent), Outpatient services (0.69 per cent), Gas and other fuels (3.78 per cent), Tobacco (2.91 per cent), Non-alcoholic beverages (0.61 per cent), Alcoholic beverages (0.02 per cent), Maintenance and repair of the dwellings (0.06 per cent) and Electricity, gas and other fuels (3.78 per cent) were not sufficient to offset the increase in the composite CPI, during the month of June 2007.

More information can also be obtained from our website: [www.statistics.sl](http://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@statistics.sl](mailto:statistics@statistics.sl) OR [info@statistics.sl](mailto:info@statistics.sl)

		Jun-06	March-07	April-07	May-07	June-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	139.19	154.46	154.53	156.10	157.40	0.84	1.90	13.08
Alcoholic Bev. Tob.& Narcotics	2.50	113.82	118.29	122.33	122.36	120.72	-1.34	2.05	6.07
Clothing and Footwear	8.11	113.65	114.39	115.50	116.13	118.34	1.90	3.45	4.13
Housing, Water, Electricity, Gas & Other fuels	9.63	153.78	174.54	177.07	177.61	175.46	-1.21	0.53	14.10
Furnishing, H/hold Equipt & H/hold Maint.	4.01	127.53	143.15	144.72	145.53	146.01	0.33	2.00	14.49
Health	3.55	363.63	415.43	427.93	425.87	425.40	-0.11	2.40	16.99
Transport	6.40	137.21	141.79	141.87	142.00	142.90	0.64	0.79	4.15
Communication	0.72	119.18	134.77	134.41	134.41	134.41	0.00	-0.27	12.78
Recreation and Culture	5.24	129.54	136.44	138.23	138.25	139.80	1.12	2.46	7.92
Education	1.62	106.40	105.77	106.42	106.38	106.38	0.00	0.58	-0.02
Restaurant and Hotels	4.26	114.26	135.11	135.21	143.72	137.32	-4.45	1.63	20.18
Miscellaneous G&S	3.18	116.82	121.20	124.27	125.06	124.40	-0.53	2.63	6.48
All Items	100.00	142.30	156.48	157.66	158.92	159.36	0.28	1.84	11.99

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 % $((F-E) \times 100 / E)$
Column H : CPI 3 Months Change In % $((F-C) \times 100 / C)$
Column I : CPI 12 Months Change In % $((F-B) \times 100 / B)$ .

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 at which level new weights were also introduced to obtain the Interim National Index.