



CONSUMER PRICE INDEX (CPI) September 2007: PRESS RELEASE

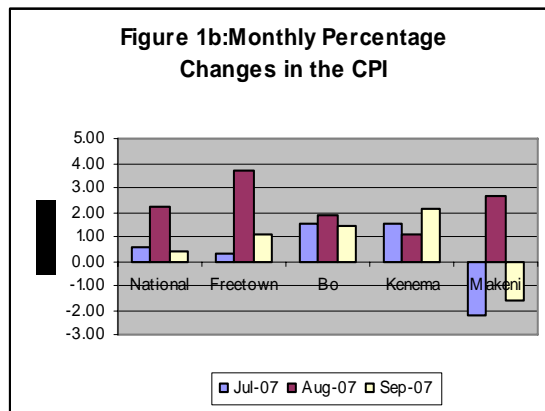
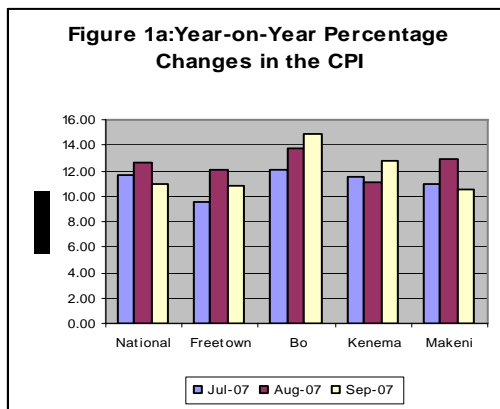
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THE INTERIM NATIONAL RATE OF INFLATION DECREASES SLIGHTLY

The composite annual rate of inflation decreased by 1.58 percentage points from 12.57 percent in August 2007 to 10.99 percent in September 2007. The monthly rate of inflation for September 2007 was 0.37 percent when compared with the monthly rate of inflation of 2.26 per cent in August 2007. The September 2007 monthly inflation rate was therefore down by 1.89 percentage points when compared with the August 2007 inflation figure which was 2.26 per cent.

In the month of September 2007, the year-on year inflation rates decreased in varying magnitudes in all centres and also the monthly inflation rates for the Composite index and those of Freetown, Bo and Makeni decreased by 0.37 per cent, 1.09 per cent, 1.40 per cent and 1.7 percent respectively. However, the Kenema monthly rate of inflation increased by 2.1 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 July 2007 to September 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) decreased in Freetown from 12.13 percent in August 2007 to 11.53 per cent in September 2007 and in Makeni from 12.97 percent to 10.39 percent while the year-on-year rate of inflation for Bo increased marginally from 13.74 percent to 13.76 percent and in Kenema from 11.08 per cent to 11.34 percent during the same month.



FACTORS INFLUENCING CHANGES IN THE MONTHLY RATE OF INFLATION

The combined monthly CPI (2003=100) for September 2007 increased from 163.91 in August 2007 to 164.51 as a result of the decreases in the indices for Tobacco products like narcotics (-1.41 per cent). The Tobacco index therefore decreased by 4.20 percent. Moreover, the indices for Actual rentals for housing decreased by 9.10 per cent, Outpatient services by 0.06 percent, Catering services by 3.17 percent and Secondary Education by 0.27 percent. Increased stock of tobacco products in the markets in all centres during the month of September 2007 could be due to the increase in importation of tobacco products coupled with seasonal increase in the local production of some of these tobacco products.

The increases recorded in the cost of Bread and Cereals (6.84 percent), fish and seafood (19.49 percent), oils and fats (18.11 percent), fruit (8.36 percent), spirits (17.48 per cent), wine (3.20 per cent), clothing materials 9.29 percent, repair and hire of footwear (22.15 per cent), furniture and furnishings (7.76 per cent) and household textiles (1.22 per cent) were not sufficient to offset the decrease in the composite CPI, during the month of September 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@statistics.sl or info@statistics.sl

		Sept-06	June-07	July-07	Aug-07	Sept-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	144.38	157.40	158.36	164.32	165.70	0.84	5.27	14.77
Alcoholic Bev. Tob. & Narcotics	2.50	116.24	120.72	121.62	129.44	127.61	-1.41	5.71	9.79
Clothing and Footwear	8.11	119.30	118.34	121.09	123.61	125.55	1.57	6.10	5.24
Housing, Water, Electricity, Gas & Other Fuels	9.63	174.60	175.46	174.55	174.75	170.85	-2.23	-2.63	-2.15
Furnishing, H/hold Equipt & H/hold Maint.	4.01	139.16	146.01	147.96	150.33	152.92	1.72	4.73	9.89
Health	3.55	362.41	425.40	429.59	433.30	433.79	0.11	1.97	19.70
Transport	6.40	139.02	142.90	144.82	144.64	145.19	0.38	1.60	4.44
Communication	0.72	119.18	134.41	134.41	134.41	134.41	0.00	0.00	12.78
Recreation and Culture	5.24	129.64	139.80	139.43	141.35	143.16	1.28	2.40	10.43
Education	1.62	105.60	106.38	107.23	107.96	107.66	-0.27	1.21	1.96
Restaurant and Hotels	4.26	118.11	137.32	135.28	130.71	126.56	-3.17	-7.84	7.15
Miscellaneous G&S	3.18	118.80	124.40	125.31	126.78	129.62	2.24	4.20	9.11
All Items	100.00	148.22	159.36	160.29	163.91	164.51	0.37	3.24	10.99
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) 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.