



CONSUMER PRICE INDEX (CPI) DECEMBER, 2008: PRESS RELEASE

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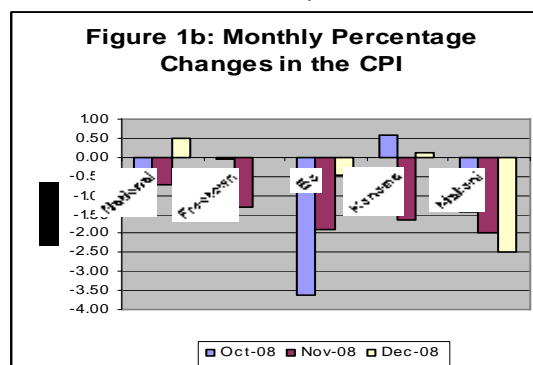
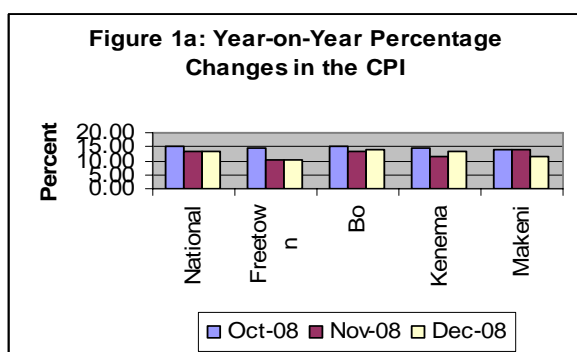
DECEMBER 2008 ANNUAL INFLATION RATE INCREASES SLIGHTLY

The Composite year-on-year Inflation rate (2003=100) increased by 0.06 percentage point from 13.15 per cent in November 2008 to 13.21 per cent in December 2008. The monthly rate of inflation for December 2008 also increased by 0.48 per cent, when the CPI for this month is compared with the CPI figure for November 2008.

The movements in the end period rates of inflation were mixed. While the year-on-year rate of inflation in Bo and Kenema increased, year-on-year rates of inflation for December 2008 declined in Freetown and Makeni.

The year-on year inflation rates increased in Bo from 13.48 per cent in November to 13.81 per cent in December 2008 and in Kenema from 11.8 per cent in November 2008 to 13.4 per cent in December 2008 while year-on-year inflation rates decreased in in Freetown from 10.6 per cent in November 2008 to 10.1 per cent in December 2008 and in Makeni from 13.7 per cent in November 2008 to 11.4 per cent in December 2008.

In the old CPI series (1992=100) the annual rates of inflation decreased in Freetown from 11.85 per cent in November 2008 to 12.25 per cent in December 2008, in Bo from 13.03 per cent in November 2008 to 11.51 per cent in December 2008, in Kenema from 15.35 per cent in November 2008 to 14.85 per cent in December 2008 and in Makeni from 12.05 per cent in October 2008 to 10.90 per cent in December 2008.



FACTORS INFLUENCING CHANGES IN THE MONTHLY RATE OF INFLATION

The combined monthly CPI for December 2008 increased from 187.97 per cent in November 2008 to 188.88 per cent in December 2008. Increases were recorded for all main CPI groups except furnishing, h/hold equipment and household maintenance (-0.19 per cent), housing, water, electricity, gas and other fuels(-4.02 per cent), transport(-3.93 per cent), communication(-5.60 per cent), recreation and culture(-0.44) and education(-0.64 per cent) for which decreases were recorded. The increase in the monthly rate of inflation this month was caused by the increases in the cost of food(1.77 per cent) reinforced by increases in the alcoholic beverages, tobacco and narcotics(1.05 per cent), clothing and footwear(0.38 per cent) and Hotels and Restaurants(0.90 per cent). The food products for which price increases were recorded in most centers include meat(1.37 per cent),vegetables(4.36 per cent), fish and seafood(9.87 per cent), milk, cheese and eggs(0.64 per cent), oils and fats(2.13 per cent) and fruits(7.07 per cent).

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: info@statistics.sl OR statistics@statistics.sl

National CPI and Year-on-Year Rates of Inflation by Main COICOP Groups (2003=100)									
		Dec-07	Sept-08	Oct-08	Nov-08	Dec-08			
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	163.26	197.04	198.12	197.00	200.44	1.74	1.73	22.77
Alcoholic Bev. Tob.& Narcotics	2.50	127.82	136.12	135.66	136.14	137.57	1.05	1.06	7.62
Clothing and Footwear	8.11	124.65	136.08	135.49	135.33	135.84	0.38	-0.18	8.98
Housing, Water, Electricity, Gas & other Fuels	9.63	191.62	207.67	200.28	197.16	189.24	-4.02	-8.88	-1.24
Furnishing, H/Hold Equipt & H/Hold Maint.	4.01	153.33	162.97	162.94	163.68	163.36	-0.19	0.24	6.54
Health	3.55	443.68	485.38	491.39	500.81	508.38	1.51	4.74	14.58
Transport	6.40	156.39	165.96	157.07	155.75	149.63	-3.93	-9.84	-4.33
Communication	0.72	124.19	134.41	134.41	134.41	126.88	-5.60	-5.60	2.16
Recreation and Culture	5.24	137.85	133.32	132.58	131.47	130.89	-0.44	-1.82	-5.05
Education	1.62	101.06	109.82	109.29	108.86	108.16	-0.64	-1.51	7.03
Restaurant and Hotels	4.26	131.91	171.61	159.48	143.85	145.14	0.90	-15.42	10.03
Miscellaneous G&S	3.18	154.21	141.50	142.74	141.97	142.63	0.46	0.80	-7.51
All Items	100.00	166.84	190.42	189.32	187.97	188.88	0.48	-0.81	13.21
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.

