



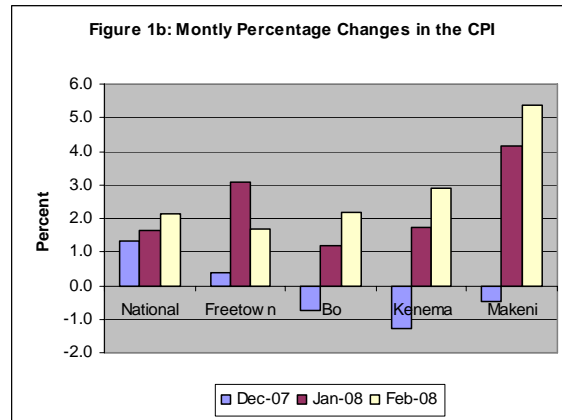
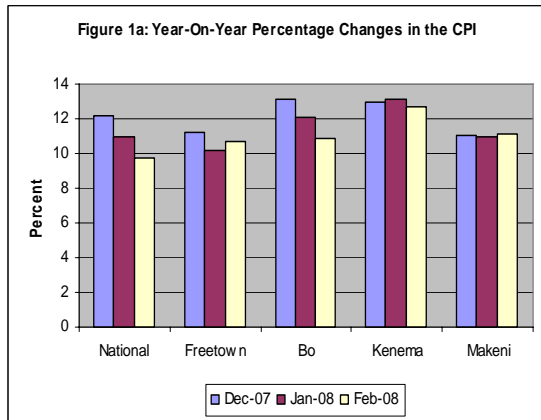
**CONSUMER PRICE INDEX (CPI) FEBRUARY, 2008: PRESS RELEASE**  
**Released on Tuesday, March 18, 2008: at 1:00 pm**

**FEBRUARY 2008 ANNUAL INFLATION RATE DECREASES SLIGHTLY**

The annual Inflation rate for February 2008 decreased slightly. According to the composite Consumer Price Index (NCPI), inflation rate for February 2008 is 9.73 percent when compared with the CPI figures for February 2007. The February 2008 inflation rate has declined by 1.19 percentage points when compared with January 2007 inflation figure which was 10.91 percent as measured on a year-on-year basis.

Alternatively, the monthly inflation rate increased by 2.12 percent when the National CPI for February 2008 is compared with that for January 2008. Figures 1a & 1b below illustrate the movement in year-on year rates of inflation and monthly rates of inflation respectively for National CPI and other CPI centers while table 1 below shows National CPI for the months of November 2007 to February 2008 and the 12 month change in the CPI for main index groups.

In the old CPI series (1992=100), the year-on-year rate of inflation increased in Freetown from 13.39 per cent in January 2008 to 13.72 percent in February 2008. Alternatively, the year –on-on-year rate of inflation decreased in all centers; in Bo from 14.39 percent to 12.64 percent, in Kenema from 14.8 percent to 14.15 percent and in Makeni from 11.85 percent to 11.17 percent during the same period



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

The overall monthly CPI (2003=100) for February 2008 increased from 169.6 in January 2008 to 172.5 in February 2008. This was lower than the increase in the CPI for the same period last year (i.e 152.9 in January 2007 to 157.8 in February 2007). This was because the disruptions that occurred in the market last year (eg the Guinean crisis) did not repeat this year with the same magnitude. Consequently, there was a decline in the year-on-year rate of inflation despite the increase in the monthly rate of inflation. The increase in the price of food especially bread and cereals (7.05 percent) milk (1.58 percent), fruits (3.4 percent), vegetables (6.1 percent) and oils (10.1 percent) continue to influence the increase in the CPI. Thus the food index increased by 3.4 percent, which was reinforced by increases in the indices for Housing (1.38 percent), Furnishing and Household Maintenance (0.35 percent), Restaurants and Hotels (1.58 percent) and Health (1.05 percent). The overall effect was an increase in the monthly rate of inflation by 2.12 percent

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: [info@statistics.sl/statistics@statistics.sl](mailto:info@statistics.sl/statistics@statistics.sl)*

National CPI and Year-on-Year Rates of Inflation by Main COICOP Groups (2003=100)									
		Feb-07	Nov-07	Dec-07	Jan-08	Feb-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	158.49	164.44	163.26	167.98	173.70	3.41	5.63	9.60
Alcoholic Bev. Tob. & Narcotics	2.50	118.42	126.78	127.82	136.66	137.72	0.78	8.63	16.30
Clothing And Footwear	8.11	115.52	125.24	124.65	125.94	126.13	0.15	0.71	9.18
Housing, Water, Electricity, Gas & Other Fuels	9.63	174.67	185.02	191.62	184.01	186.56	1.38	0.83	6.80
Furnishing, H/hold Equip & H/hold Maint.	4.01	143.04	153.46	153.33	156.63	157.18	0.35	2.42	9.89
Health	3.55	389.92	440.51	443.68	444.20	448.84	1.05	1.89	15.11
Transport	6.40	140.58	153.39	156.39	156.33	157.66	0.85	2.78	12.15
Communication	0.72	134.82	124.19	124.19	124.19	124.19	0.00	0.00	-7.89
Recreation And Culture	5.24	133.75	138.89	137.85	136.71	136.66	-0.04	-1.61	2.18
Education	1.62	106.42	100.90	101.06	100.99	100.91	-0.08	0.01	-5.18
Restaurant and Hotels	4.26	141.63	136.02	131.91	149.63	151.99	1.58	11.74	7.31
Miscellaneous G&S	3.18	122.50	134.60	154.21	152.01	153.03	0.67	13.69	24.92
All Items	100.00	157.83	166.13	166.84	169.60	173.20	2.12	4.25	9.73
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 at which level new weights were also introduced to obtain the Interim National Index.