



CONSUMER PRICE INDEX (CPI) SEPTEMBER 2010: PRESS RELEASE

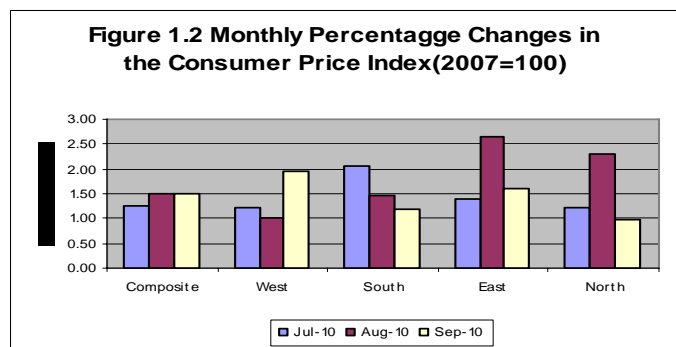
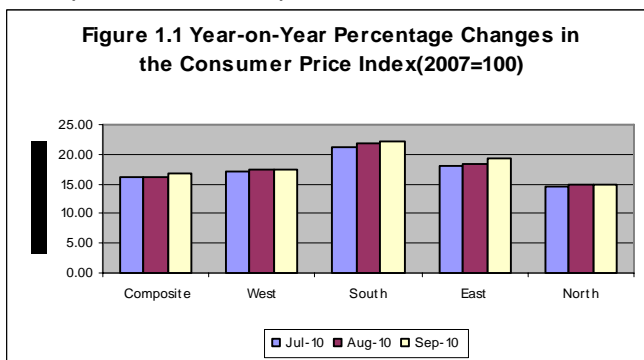
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SEPTEMBER 2010 MONTHLY INFLATION RATE INCREASES SLIGHTLY

The monthly rate of inflation for the composite index (2006/2007=100) increased by 1.51 per cent, when the CPI for September 2010 is compared with the CPI figure for August 2010. Similarly, the monthly rate of inflation increased in all the regions. Western Area (1.95 per cent), Northern Region (0.98 per cent), Southern Region (1.17 per cent) and Eastern Region(1.62 per cent), comprising of two centers, Kenema(0.95 per cent) and Kono(2.05 per cent) during the same period.. The composite year-on-year inflation rate (2006/2007=100) increased by 0.65 percentage point from 16.11 per cent in August 2010 to 16.76 per cent in September 2010.

There were upward movements in the year-on-year rates of inflation in Western, North, South and East when the rates of inflation for August 2010 is compared with that for September 2010. The year-on-year rates of inflation increased in Western Area from 17.29 per cent in August 2010 to 17.49 per cent in September 2010, in Northern Region from 15.03 per cent to 16.19 per cent, in Southern Region from 21.93 per cent to 22.02 per cent and in Eastern Region from 18.35 to 19.32 per cent during the period under review.

Considering the old CPI series (1992=100), there were mixed movements in the year-on-year rate of inflation. In Freetown the year-on-year rate of inflation increased from 18.35 percent in August 2010 to 18.51 percent in September 2010, in Bo from 20.18 per cent to 20.19 per cent while the year-on-year rates of inflation decreased in Makeni from 20.93 per cent to 20.90 per cent and in Kenema from 24.04 per cent to 23.49 per cent during the same period.



FACTORS INFLUENCING CHANGES IN THE MONTHLY RATE OF INFLATION

The combined monthly CPI (2007=100) for September 2010 increased from 151.50 per cent in August 2010 to 153.79 per cent in September 2010 resulting in 1.51 per cent increase in the consumer price index this month. This reflects a monthly increase higher than the previous month.

The general rise in the price level for September 2010 reinforces the increase in the index over the last few months indicating a continuous build up of inflationary pressure in the economy. Increases were observed in all the components of the CPI; Food and Non-Alcoholic Beverages(1.95 per cent), Alcoholic Beverages, Tobacco and Nartics(4.18 per cent), Clothing and Footwear(1.76 per cent), Housing, water, electricity, gas and other fuels(0.64 per cent), furnishing, household equipment and household maintenance(1.37 per cent), Health(2.24 per cent), Communication(0.13 per cent), Recreation and Culture(1.21 per cent), Education(0.26 per cent), Restaurant and Hotels(0.60 per cent) and Miscellaneous goods and services(0.72 per cent).

The specific food items for which increases were observed include, bread and cereals(2.40 per cent), meat(4.73 per cent), fish and seafood(6.85 per cent), milk, cheese and eggs(0.08 per cent), oils and fats(0.22 per cent) and fruits(3.93 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: statistics@statistics.sl OR info@statistics.sl

All Urban National Consumer Price Indices (2007=100) by Main COICOP Groups

		Sept-09	Jun-10	Jul-10	Aug-10	Sept-10			
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 and Non-Alcoholic Beverage	41.86	144.05	148.69	152.10	154.88	157.90	1.95	6.19	9.61
Alcoholic Beverage, Tobacco and Narcotics	1.71	123.74	157.19	166.75	172.54	179.76	4.18	14.35	45.27
Clothing and Footwear	7.34	123.63	134.00	137.79	139.97	142.43	1.76	6.29	15.21
Housing, Water, Electricity, Gas and other Fuels	13.70	133.59	150.64	153.58	155.76	156.75	0.64	4.06	17.33
Furnishing, Household Equipment and Household Maintenance	5.86	123.60	153.04	154.79	156.00	158.13	1.37	3.33	27.94
Health	11.36	121.34	157.51	164.55	166.30	170.04	2.24	7.95	40.13
Transport	7.75	118.16	130.63	136.40	136.35	135.77	-0.43	3.93	14.90
Communication	2.04	102.23	107.07	107.07	107.18	107.32	0.13	0.24	4.99
Recreation and Culture	1.47	120.95	136.39	138.38	139.31	141.00	1.21	3.38	16.58
Education	2.88	109.57	113.10	116.68	121.08	121.39	0.26	7.33	10.79
Restaurant and hotels	0.92	114.52	110.39	110.22	111.05	111.71	0.60	1.20	-2.45
Miscellaneous G&S	3.13	117.69	145.24	150.18	153.08	154.19	0.72	6.16	31.01
All items	100.00	131.71	145.37	149.28	151.50	153.79	1.51	5.79	16.76

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 % $((F-B) \times 100 / B)$

Notes: The all urban National Consumer Price Index (Composite Index) measures the change in prices, on average, from month to month, of the goods and services bought by households, in Sierra Leone including all expenditure groups and both families and single persons. The index includes sampled outlets from five urban towns representing the four geographic regions of the country; Kenema and Koidu were purposefully selected to represent the Eastern province, Bo represents the Southern Province, Makeni represents the Northern Province while Freetown represents the Western Area. The weights applied in the computation of the composite index were obtained from the 2003/2004 Sierra Leone Integrated Household Survey (SLIHS) with the weights updated to May 2007 and prices referenced to the same period. The weights refer to the total urban household consumption in the entire country and the urban towns selected for price data collection represents about 80 percent of all urban household consumption. Hence the index is herein referred to as the all urban National Index. The basket consist of 400 goods and service popularly consumed by all inhabitants of Sierra Leone. These items are divided into the 12 functions of the classification of Individual Consumption by Purpose (COICOP). 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, three markets (3) in Koidu and two (2) markets in Makeni Town for weekly prices. Other outlets are used for monthly items whose prices are less likely to fluctuate rapidly. Geometric mean formula is used to compute the mean of prices observed for each product by elementary aggregate (group of similar products).

