



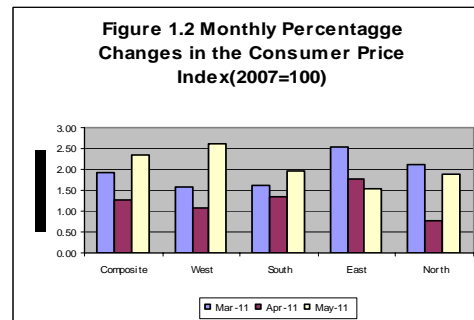
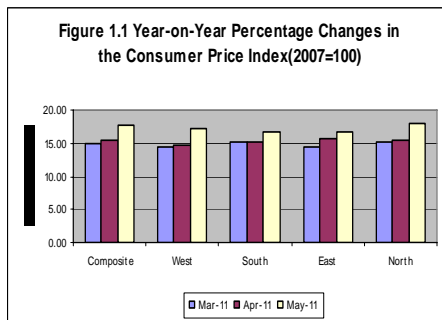
CONSUMER PRICE INDEX (CPI) May, 2011: PRESS RELEASE
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May 2011 MONTHLY INFLATION RATE INCREASES SIGNIFICANTLY

The annual Inflation rate for May 2011 increased slightly by 1.0 percentage point. According to the composite Consumer Price Index, inflation rate for May 2011 is 17.82 per cent when compared with the CPI figures for May 2010. The May 2011 inflation rate has increased by 1.0 percentage point when compared with May 2010 inflation figure which was 16.82 per cent as measured on a year-on-year basis.

Alternatively, the monthly inflation rate increased significantly by 2.33 per cent when the combined monthly CPI for May 2011 increased from 167.37 per cent in April 2011 to 171.27 per cent in May 2011. Similarly, the monthly rates of inflation increased in all the regions. Western Area (2.62 per cent), Northern Region (1.90 per cent), Southern region (1.96 per cent) and the Eastern Region (1.54 per cent) comprising of two centers, Kenema (2.58 per cent) and Kono (1.68 per cent) during the same period.

In the old CPI series (1992=100), the year-on-year rate of inflation increased in Freetown from 18.32 per cent in April 2011 to 20.82 per cent in May 2011, in Bo from 19.07 per cent to 20.58 per cent, in Kenema from 20.77 per cent to 21.86 per cent and in Makeni from 20.65 per cent to 21.75 per cent during the same period.



FACTORS INFLUENCING CHANGES IN THE MONTHLY RATE OF INFLATION

The increase in both the monthly and annual rates of inflation this month were mainly due to the increase in the price of petroleum product reinforced by the increasing cost of food. The price of petrol, diesel and kerosene increased by 11.18 per cent (i.e. from Le17,500 to Le20,000 per gallon). This resulted into the increase in the cost of transport services and as a result the transport index increased by 7.41 per cent. The increase in the price of petroleum products also brought about increases in the prices of most goods and services as producers responded to the increase in the cost of production by increasing prices. Increases were observed in all the components of the CPI (Food, Alcoholic Beverages, Clothing and Footwear, Hotels and Restaurants, Recreation and Culture, Education, Health, Transport and Miscellaneous goods and services. The increase on the food index (1.93 per cent) was due to a shortfall in the supply of products such as palm oil, onions, fish, vegetables etc in the market. The effect was a significant rise in the price level by 2.33 per cent during the month of May 2011.

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

NATIONAL CPI AND YEAR-ON- YEAR RATES OF INFLATION BY MAIN COICOP GROUPS (2003=100)

		May-10	Feb-10	Mar-10	Apr-10	May-11			
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	148.69	162.55	171.08	179.52	182.97	1.92	12.56	23.05
Alcoholic Beverage, Tobacco and Narcotics	1.71	157.19	189.62	189.97	190.96	196.94	3.13	3.86	25.29
Clothing and Footwear	7.34	134.00	142.51	146.62	148.49	152.41	2.64	6.95	13.74
Housing, Water, Electricity, Gas and other Fuels	13.70	150.64	160.40	163.89	164.53	169.88	3.25	5.91	12.77
Furnishing, Household Equipment and Household Maintenance	5.86	153.04	168.83	172.06	180.95	184.55	1.99	9.32	20.59
Health	11.36	157.51	167.83	168.47	175.29	177.11	1.04	5.53	12.45
Transport	7.75	130.63	144.81	144.59	146.45	157.29	7.41	8.62	20.41
Communication	2.04	107.07	107.30	107.56	107.70	107.78	0.08	0.44	0.66
Recreation and Culture	1.47	136.39	148.21	150.59	152.62	153.34	0.47	3.46	12.42
Education	2.88	113.10	123.53	123.24	123.65	124.44	0.64	0.74	10.03
Restaurant and hotels	0.92	110.39	109.42	109.88	113.65	113.96	0.27	4.15	3.23
Miscellaneous G&S	3.13	145.24	155.96	150.95	147.92	149.26	0.91	-4.30	2.76
All items	100.00	145.37	157.69	162.17	167.37	171.27	2.33	8.61	17.82

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.

