



CONSUMER PRICE INDEX (CPI) January, 2014: PRESS RELEASE

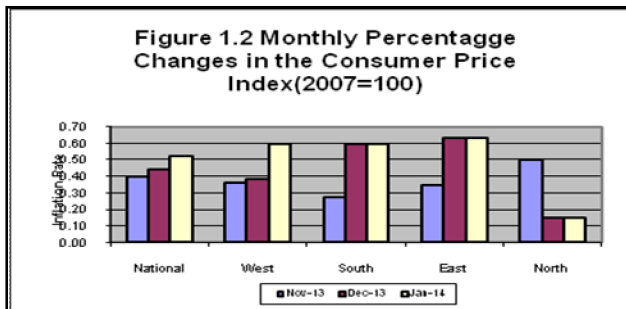
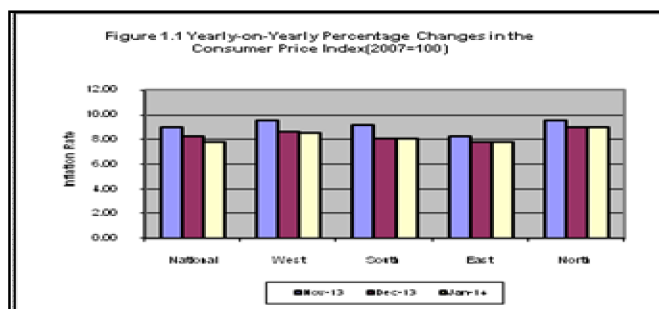
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JANUARY 2014 MONTHLY INFLATION RATE INCREASES SLIGHTLY

The national monthly CPI (2007=100) increased from 221.02 per cent in December 2013 to 222.17 per cent in January, 2014 resulting in a 0.52 per cent increase in inflation rate this month. Similarly, the monthly rates of inflation increased slightly in all the regions. Western Area (0.60 per cent), Northern Region (0.53 per cent), Southern region (0.58 per cent) and the Eastern Region (0.59 per cent) comprising two centers, Kenema (0.39 per cent) and Kono (0.34 per cent) during the same period.

Nevertheless, the annual inflation rate for January, 2014 decreased slightly from 8.23 per cent in December, 2013 to 7.76 per cent in January, 2014. Similarly, the year-on-year rates of inflation decreased slightly in all the centers. The year-on-year rate of inflation decreased in Western Area from 8.57 per cent in December, 2013 to 8.55 per cent in January, 2014, in Eastern region from 7.79 per cent in December, 2013 to 7.35 per cent in January, 2014, in Northern region from 9.02 per cent in December, 2013 to 7.32 per cent in January, 2014 and in Southern region from 8.07 per cent in December, 2013 to 7.50 per cent in January, 2014.

Figures 1.1 & 1.2 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 October, 2013 to January, 2014 and the 12 month change in the CPI for the main index groups. Considering the old CPI series (1992=100), the year-on-year rates of inflation decreased slightly in all the centers. The year-on-year rate of inflation decreased in Freetown from 8.53 per cent in December, 2013 to 8.09 per cent in January, 2014, and in Kenema from 7.10 per cent to 7.03 per cent in Makeni from 9.31 to 9.00 per cent and in Bo from 10.09 per cent to 9.50 per cent during the same period.



FACTORS INFLUENCING CHANGES IN THE MONTHLY RATE OF INFLATION

The national monthly CPI (2007=100) increased from 221.02 per cent in December, 2013 to 222.17 per cent in January, 2014 resulting in a 0.52 per cent increase in inflation rate this month. However, this reflects a monthly increase that is greater than the previous month, meaning that prices are increasing at an increasing rate.

There was a slight general increase in the price level in all the four regions which affected most of the components in the CPI basket. On a national basis, there were increases in the indices for the following groups; food and non-alcoholic beverages (0.45 per cent), housing, water, electricity, gas & other fuels (0.85 per cent), alcoholic beverage, tobacco and narcotics (0.74 per cent), clothing and footwear (1.07 per cent), furnishing, household equipment and household maintenance (0.42 per cent), health (0.33 per cent), restaurant and hotels (0.31 per cent), transport (0.25 per cent) and Miscellaneous goods and services (0.54 per cent).

The food products for which indices increased this month include bread and cereals (1.36 per cent), meat (0.50 per cent), fish and seafood (1.57 per cent) and vegetables (0.82 per cent), fruits (1.56 per cent), and milk, cheese and eggs (0.73 per cent). The increase on food index in all the centers was probably due to the shortage in the supply of fruit and fish which has contributed to the slight increase in the monthly inflation rate.

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/info@statistics.sl

National CPI and Year-on- Year Rates of Inflation by Main COICOP Groups (2007=100)

		Jan-13	Oct-13	Nov-13	Dec-13	Jan-13			
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	231.46	242.46	243.66	245.08	246.17	0.45	1.53	6.36
Alcoholic Beverage, Tobacco and Narcotics	1.71	244.78	268.20	270.41	271.43	273.44	0.74	1.95	11.71
Clothing and Footwear	7.34	213.79	235.17	236.20	237.27	239.80	1.07	1.97	12.16
Housing, Water, Electricity, Gas and other Fuels	13.70	187.71	203.41	204.05	204.41	206.15	0.85	1.35	9.83
Furnishing, Household Equipment and Household Maintenance	5.86	224.11	246.29	247.61	248.43	249.48	0.42	1.30	11.32
Health	11.36	196.70	211.10	211.28	212.34	213.04	0.33	0.92	8.31
Transport	7.75	162.42	173.71	173.92	174.18	174.61	0.25	0.52	7.51
Communication	2.04	110.03	112.96	113.24	113.39	113.54	0.13	0.51	3.19
Recreation and Culture	1.47	163.13	166.75	166.86	167.28	167.80	0.31	0.63	2.86
Education	2.88	135.18	135.84	135.97	136.01	136.13	0.09	0.22	0.71
Restaurant and Hotels	0.92	146.76	159.11	159.37	159.59	160.52	0.58	0.88	9.38
Miscellaneous G&S	3.13	184.02	191.63	193.12	193.76	194.81	0.54	1.66	5.86
All Items	100.00	206.16	219.18	220.06	221.02	222.17	0.52	1.36	7.76
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) 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 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.

