



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

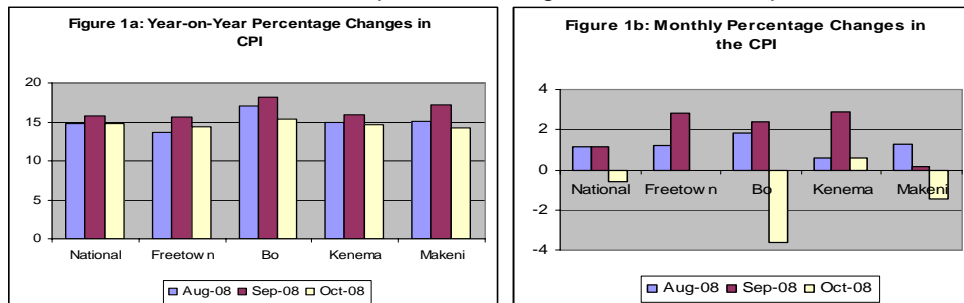
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OCTOBER 2008 ANNUAL INFLATION RATE DECREASES SLIGHTLY

The Composite year-on-year Inflation rate (2003=100) decreased by 0.78 percentage points from 15.75 per cent in September 2008 to 14.97 percent in October 2008. The monthly rate of inflation for October 2008 also declined by 0.58 per cent, when the CPI for this month is compared with the CPI figure for last month.

There were decreases in the year-on-year rate of inflation in all centers during the month of October 2008. The year-on year inflation rates decreased in varying magnitudes in Freetown from 15.6 per cent in September to 14.4 per cent in October 2008, in Bo from 18.19 per cent in September 2008 to 15.3 per cent in October 2008, in Kenema from 15.9 per cent in September 2008 to 14.7 per cent in October 2008 and in Makeni from 17.2 per cent in September 2008 to 14.2 per cent in October 2008.

In the old CPI series (1992=100) the annual rates of inflation decreased in Freetown from 17.04 per cent in September 2008 to 14.26 percent in October 2008, in Bo from 17.74 per cent in September 2008 to 14.42 per cent in October 2008, in Kenema from 18.93 percent in September 2008 to 16.70 per cent in October 2008 and in Makeni from 15.92 per cent in August 2008 to 14.52 per cent in October 2008.



FACTORS INFLUENCING CHANGES IN THE MONTHLY RATE OF INFLATION

The combined monthly CPI for October 2008 decreased from 190.42 per cent in September 2008 to 189.32 per cent in October 2008. The decline was due largely to decreases in petroleum product prices in reaction to the global decline in the cost of petroleum. There were decreases in the pump price of petrol, diesel and kerosene. The cost of petrol, diesel and kerosene declined by 15.15 percent (from Le16,500 per gallon to Le 14,000 per gallon) during the month. Consequently, in city and long distance transport fares decline. These decreases were reinforced by decreases in all main CPI groups except food and non-alcoholic beverages (0.55 per cent), health (1.24 per cent) and miscellaneous goods and services (0.88 per cent) for which slight increases were recorded. The food products for which price increases were recorded include; palm oil, fish, fruits, and sugar. The slight increase in the cost of food was not sufficient to outweigh the decline in other product groups. Hence the general price level declined slightly this month by 0.58 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)									
		Oct-07	Jul-08	Aug-08	Sept-08	Oct-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	165.04	189.23	190.87	197.04	198.12	0.55	4.70	20.04
Alcoholic Bev. Tob. & Narcotics	2.50	126.06	142.10	145.70	136.12	135.66	-0.34	-4.53	7.62
Clothing And Footwear	8.11	125.16	132.91	134.95	136.08	135.49	-0.43	1.94	8.26
Housing, Water, Electricity, Gas & Other Fuels	9.63	171.36	211.09	206.97	207.67	200.28	-3.56	-5.12	16.88
Furnishing, H/Hold Equipt & H/Hold Maint.	4.01	151.40	162.15	162.87	162.97	162.94	-0.02	0.48	7.62
Health	3.55	433.76	493.18	487.98	485.38	491.39	1.24	-0.36	13.29
Transport	6.40	145.22	163.79	178.20	165.96	157.07	-5.36	-4.10	8.16
Communication	0.72	134.41	160.45	160.45	134.41	134.41	0.00	-16.23	0.00
Recreation and Culture	5.24	144.10	133.19	132.58	133.32	132.58	-0.55	-0.46	-7.99
Education	1.62	109.73	109.45	108.52	109.82	109.29	-0.49	-0.15	-0.40
Restaurant and Hotels	4.26	137.23	155.22	164.51	171.61	159.48	-7.07	2.74	16.21
Miscellaneous G & S	3.18	130.74	141.25	143.82	141.50	142.74	0.88	1.06	9.18
All Items	100.00	164.67	186.06	188.23	190.42	189.32	-0.58	1.75	14.97
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.

