

CONSUMER PRICE INDICES AND INFLATION RATES FOR AUGUST 2021

The overall year on year inflation rate as measured by the Consumer Price Index (CPI) was 6.57 per cent, in August 2021. This was mainly driven by rise in prices of commodities under: food and non-alcoholic beverages (10.67 per cent); transport (7.93 per cent); and housing, water, electricity, gas and other fuels (5.07 per cent) between August 2020 and August 2021, as presented in Tables 1 and 2.

The CPI increased by 0.23 per cent from a revised index of 115.446 in July 2021 to 115.710 in August 2021. The month to month Food and Non-Alcoholic Drinks' Index increased by 0.46 per cent between July 2021 and August 2021. This was mainly attributed to increase in prices of some food items, which outweighed the decrease in prices of others.

Table 1: Overall CPI and Rates of Inflation

Base Feb 2019=100

Month	Overall New CPI	Inflation Rate
August 2020	108.573	4.36
September 2020	108.571	4.20
October 2020	109.604	4.84
November 2020	110.779	5.33
December 2020	111.866	5.62
January 2021	112.576	5.69
February 2021	113.365	5.78
March 2021	113.814	5.90
April 2021	114.746	5.76
May 2021	114.977	5.87
June 2021	115.110	6.32
July 2021	115.446	6.55
August 2021	115.710	6.57

Table 2: One and Twelve Months' Changes in the Consumer Price Indices

	Weight %	% Change on last month August 2021/July 2021	% Change on same month of the previous year August 2021 /August 2020
13 COICOP Divisions			
Food and Non-Alcoholic Beverages	32.91	0.46	10.67
Alcoholic Beverages, Tobacco and Narcotics	3.33	0.21	2.69
Clothing and Footwear	2.99	0.14	2.72
Housing, Water, Electricity, Gas and Other Fuels	14.61	0.32	5.07
Furnishings, Household Equipment and Routine Household Maintenance	3.74	0.10	4.82
Health	2.91	0.02	3.28
Transport	9.65	-0.32	7.93
Information and Communication	7.78	0.04	2.35
Recreation, Sport and Culture	1.72	0.26	1.19
Education Services	5.56	0.35	2.11
Restaurants and Accommodation Services	8.10	0.02	2.95
Insurance and Financial Services	2.24	0.03	2.07
Personal Care, Social Protection and Miscellaneous Goods and Services	4.45	0.08	3.17
Total	100.00	0.23	6.57

As shown in Table 3, relative to July 2021, prices of cabbages, spinach and oranges increased by 3.74, 3.06 and 2.44 per cent, respectively. In contrast, prices of potatoes and onions (leeks and bulbs) decreased by 0.48 per cent and 0.30 per cent, respectively.

Table 3: National Average Retail Prices of Selected Commodities

Commodity Name	Quantity	Unit of Measure	Average Price August 2020	Average Price July 2021	Average Price August 2021	% Change over last month August 2021/ July 2021	% Change over last Year August 2021/ August
Potatoes (Irish)	1	Kg	62.21	70.75	70.42	-0.48	13.19
Onion -Leeks and Bulbs	1	Kg	103.64	111.32	110.98	-0.30	7.08
Sugar	1	Kg	113.58	110.31	110.07	-0.22	-3.09
Kale-Sukuma Wiki	1	Kg	48.41	56.17	56.46	0.52	16.63
Beef - With Bones	1	Kg	433.21	476.21	479.85	0.76	10.77
Carrots	1	Kg	69.48	74.65	76.31	2.22	9.82
Oranges	1	Kg	61.90	64.37	65.94	2.44	6.53
Spinach	1	Kg	53.84	64.07	66.03	3.06	22.65
Cabbages	1	Kg	36.54	45.88	47.60	3.74	30.28
House Rent - single room	1	Per Month	3,610.09	3,728.67	3,742.31	0.37	3.66
Electricity	50	Kilowatts	793.13	893.48	893.21	-0.03	12.62
Electricity	200	Kilowatts	4,576.10	4,977.50	4,976.44	-0.02	8.75
Gas/LPG	13	Kg	2,060.15	2,394.18	2,420.68	1.11	17.50
Kerosene/Paraffin	1	Litre	84.60	98.78	98.78	0.00	16.76
Country Bus /Matatu Fare (Meru to Nairobi)	1	Ticket	800.00	1000.00	800.00	-20.00	0.00
City Bus/Matatu Fares (Bomas to Nyayo)	1	Ticket	50.00	60.00	50.00	-16.67	0.00
Petrol	1	Litre	104.83	127.98	127.98	0.00	22.08
Diesel	1	Litre	95.57	108.58	108.58	0.00	13.61

The Housing, Water, Electricity, Gas and Other Fuels' Index, increased by 0.32 per cent between July 2021 and August 2021. This was mainly attributed to increase in prices of cooking fuel and house rent in spite of the slight decrease in the price of electricity.

Transport Index decreased by 0.32 per cent mainly due to decreases in bus fares of country and city public service vehicles as shown in Table 3. This is mainly as a result of the return to carrying of full capacity for public service vehicles in the month of August, 2021.

Collins Omondi, OGW
FOR: DIRECTOR GENERAL