

Press Release



Central Statistical Office

P.O. Box 31908, Lusaka

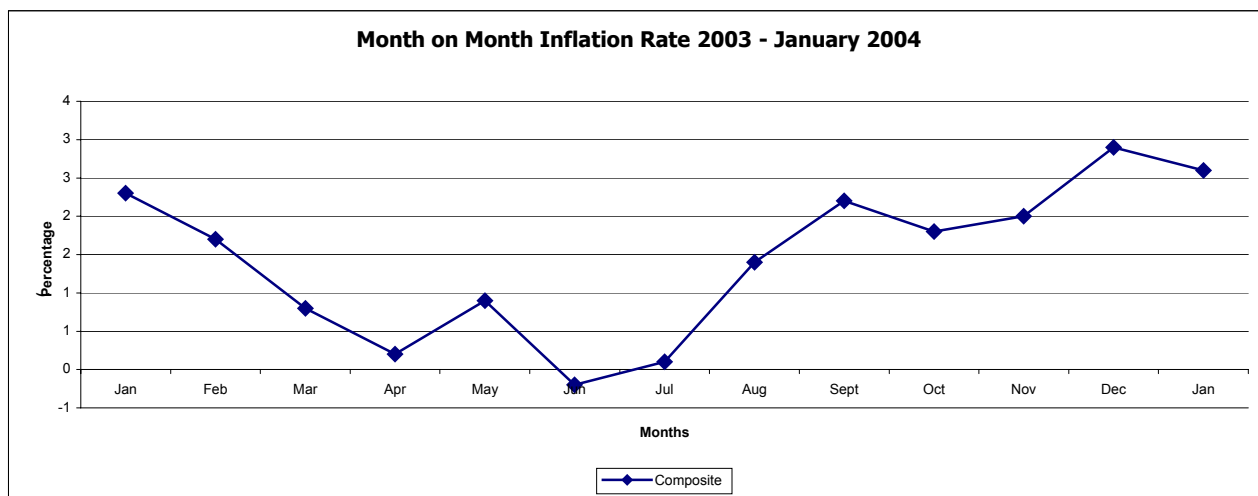
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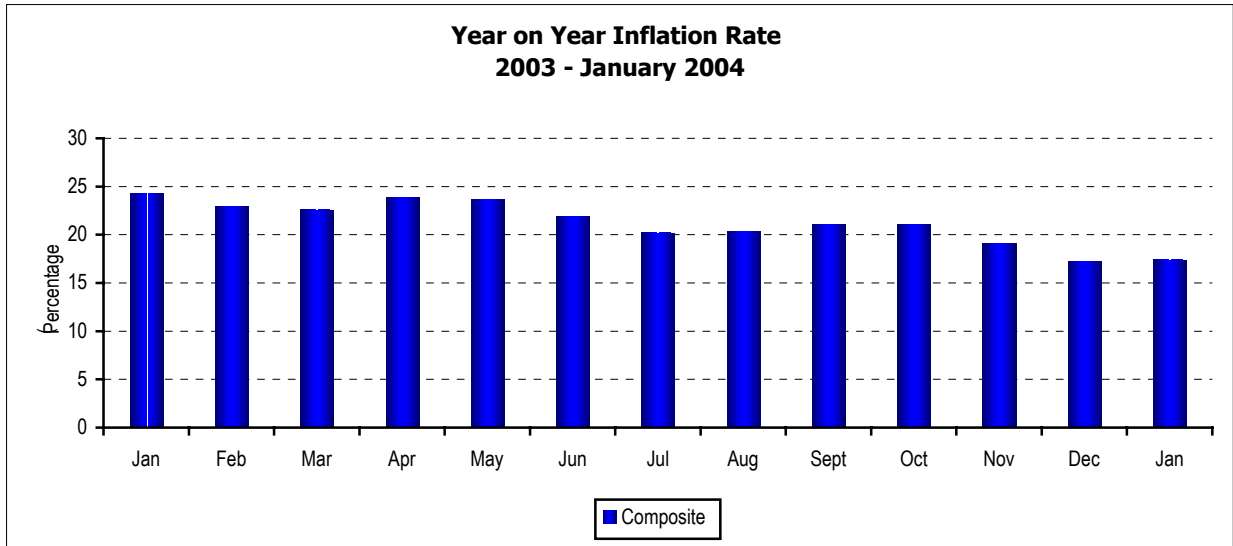
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Consumer Price Index (CPI) - January 2004

The Central Statistical Office through its monthly survey on consumer prices today announced that the monthly inflation rate was recorded at 2.6 percent as at January 2004, representing a decrease of 0.3 of a percentage point on the December rate of 2.9 percent. Monthly inflation rates for the Metropolitan Low, High Income and Non Metropolitan Groups were recorded at 2.4, 2.5 and 2.7 percent respectively.



The annual rate of inflation recorded a marginal increase of 0.2 of a percentage point from 17.2 percent in December 2003, to 17.4 percent in January 2004. Compared with January 2003, the annual rate of inflation decreased from 24.3 percent in January 2003 to 17.4 percent in January 2004, representing a decrease of 6.9 percentage points. Annual inflation rates for Metropolitan Low and High Income and Non-Metropolitan Groups were recorded at 15.1, 21.5 and 16.3 percent respectively.

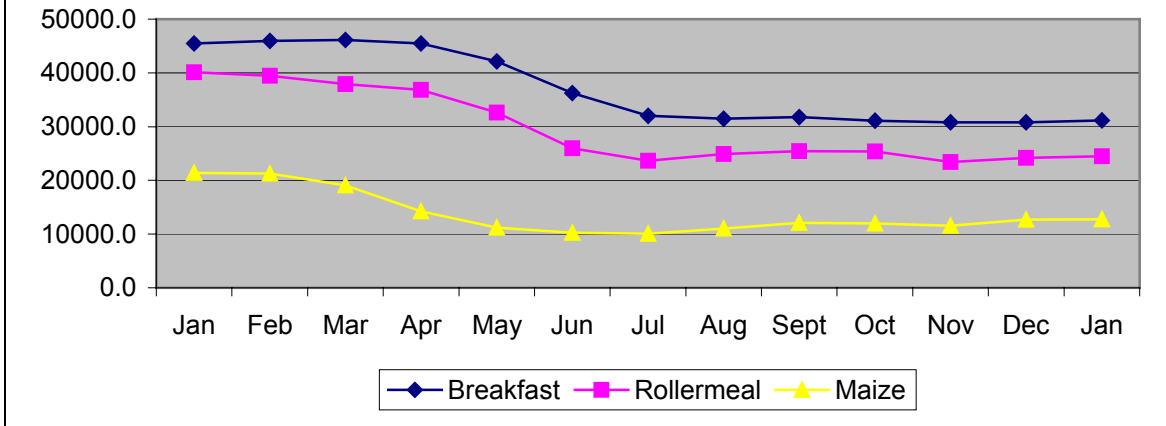


The decrease in the monthly inflation rate was largely due to the decrease in the monthly food index. The monthly food index, which showed an increase in December 2003, has recorded a decrease in January 2004. The monthly Food Index was recorded at 2.3 percent in January 2004, 1.2 percentage points lower than 3.5 percent recorded for December 2003. Annual Food Inflation stood at 12.5 percent in January 2004, decreasing by a percentage point on the December rate of 13.5 percent.

The monthly Food Index was influenced by the marginally higher prices in the cost of Mealie Meal, Wheat Flour, Bread, Maize grain and other Cereals, Dried Kapenta, Dried Fish, Vegetables, Alcoholic Beverages, Oils and Fats as well as other processed food commodities. However, counteracting these increases were decreases in the cost of Meat, Chicken, Fresh Fish, Fresh Kapenta, and Milk.

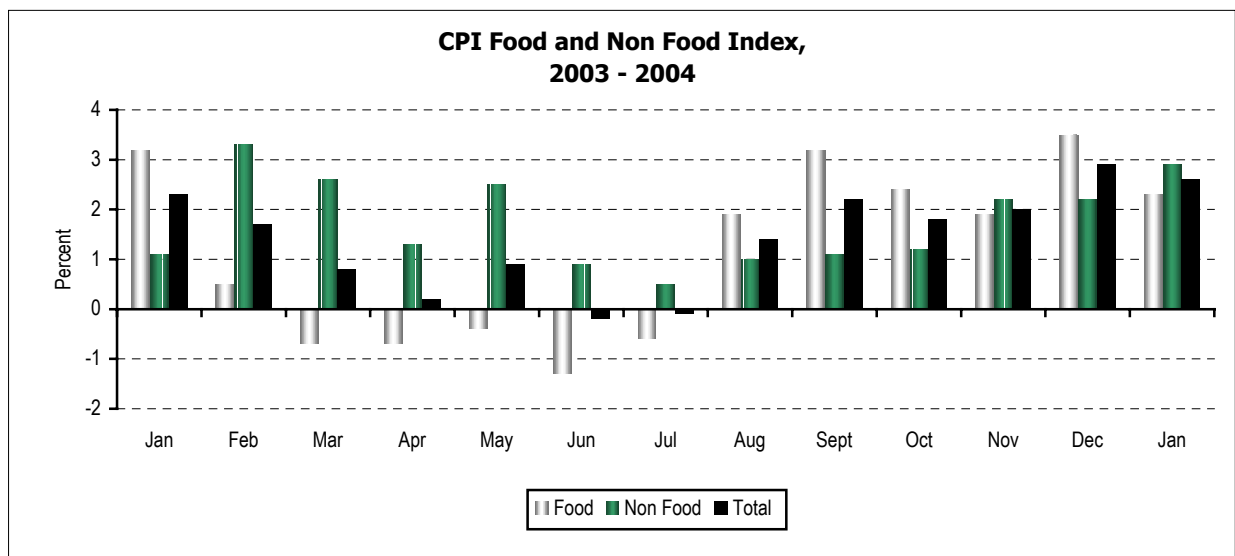
The average price of a 25Kg bag of Roller Meal increased by 1.3 percent, from K24, 204 in December 2003 to K24, 515 in January 2004, while Breakfast Meal increased marginally by 1.1 percent, from K30, 819 in December 2003 to K31, 151 in January 2004. Maize grain measured in a 20-litre tin also registered an increase, from K12, 670 to K12, 725 over the same period, reflecting an increase of 0.4 percent.

Trends in the prices of selected Cereals, 2003 - January 2004



The monthly Non - Food index recorded an increase of 2.9 percent, increasing marginally by 0.7 of a percentage point from the rate observed the previous month, while the annual Non - Food index increased by 23.8 percent in January 2004, 2.1 percentage points higher than the December increase. Contributing the most to this higher rate were increases in Educational fees (Boarding school fees up by 22% and Private secondary school fees up by 14.6%), Fuel (Petrol up by 3% and Diesel up by 3.3%), Motor Vehicles (Nissan Sunny up by 1.9%) and household Energy (Charcoal up by 14% and Paraffin up by 3.3%). Price decreases were observed in the cost of Hotel accommodation and Medical care.

CPI Food and Non Food Index, 2003 - 2004



**INDEX NUMBERS OF CONSUMER PRICES BY INCOME GROUP
(1994 WEIGHTS)**

1994 = 100

Period	Total	Metropolitan Low Income Group	Metropolitan High Income Group	Non Metropolitan Group
Weight	1000	261	295	444
1985	0.3	0.3	0.3	0.3
1986	0.4	0.4	0.5	0.4
1987	0.6	0.6	0.7	0.6
1988	0.9	0.9	1.0	0.9
1989	2.1	2.0	2.3	2.1
1990	4.3	4.2	4.5	4.3
1991	8.6	8.3	9.2	8.4
1992	22.8	23.1	23.0	22.6
1993	64.7	65.3	63.5	65.1
1994	100.0	100.0	100.0	100.0
1995	134.9	135.8	135.3	134.2
1996	193.0	192.8	188.3	196.3
1997	240.2	237.8	235.1	245.0
1998	298.9	295.9	292.3	305.1
1999	379.0	372.3	373.5	386.6
2000	477.7	462.7	482.5	483.3
2001	579.9	554.8	587.4	589.6
2002	708.8	690.3	697.7	727.0
2002 January	657.3	630.9	645.6	680.6
February	676.4	652.9	660.8	700.6
March	683.1	658.7	670.3	705.9
April	677.4	659.0	670.3	692.9
May	684.5	668.8	677.3	698.4
June	692.9	674.9	687.1	707.4
July	702.3	685.4	696.0	716.3
August	711.7	691.6	705.5	727.6
September	722.6	703.8	714.6	739.0
October	735.6	717.7	725.1	753.2
November	763.3	749.2	745.9	783.3
December	798.3	790.7	774.0	819.0
2003 January	816.9	814.2	782.5	841.3
February	830.9	823.6	801.7	854.7
March	837.2	828.0	818.2	855.1
April	839.0	831.0	827.7	851.2
May	846.8	837.7	845.3	853.2
June	844.8	831.8	848.3	850.2
July	843.9	828.0	847.5	850.9
August	856.1	840.1	858.2	864.2
September	874.9	856.0	874.7	886.2
October	891.0	870.7	889.5	903.8
November	908.9	888.8	909.5	920.4
December	935.3	915.2	927.4	952.3
2004 January	959.4	937.3	950.6	978.2

MONTH ON MONTH INFLATION RATES

Percent

Period	Total	Metropolitan Low Income Group	Metropolitan High Income Group	Non Metropolitan Group
Weight	1000	261	295	444
Jan 01 - Dec 00	3.5	4.0	3.2	3.3
Feb 01 - Jan 01	3.3	4.7	0.1	4.6
Mar 01 - Feb 01	2.0	2.2	1.5	2.2
Apr 01 - Mar 01	-0.6	-0.7	-0.7	-0.5
May 01 - Apr 01	-1.5	-2.5	-0.2	-1.9
Jun 01 - May 01	-0.9	-2.1	0.0	-0.9
Jul 01 - Jun 01	1.5	1.3	1.8	1.4
Aug 01 - Jul 01	1.1	1.6	0.9	0.9
Sep 01 - Aug 01	1.4	0.9	1.4	1.7
Oct 01 - Sep 01	1.8	1.5	1.4	2.3
Nov 01 - Oct 01	2.5	2.7	1.9	2.8
Dec 01 - Nov 01	3.5	4.1	2.1	4.0
Jan 02 - Dec 01	4.3	4.9	2.7	4.9
Feb 02 - Jan 02	2.9	3.5	2.4	2.9
Mar 02 - Feb 02	1.0	0.9	1.4	0.8
Apr 02 - Mar 02	-0.8	0.0	0.0	-1.8
May 02 - Apr 02	1.0	1.5	1.1	0.8
Jun 02 - May 02	1.2	0.9	1.4	1.3
Jul 02 - Jun 02	1.3	1.6	1.3	1.3
Aug 02 - Jul 02	1.3	0.9	1.4	1.6
Sep 02 - Aug 02	1.5	1.8	1.3	1.6
Oct 02 - Sep 02	1.8	2.0	1.5	1.9
Nov 02 - Oct 02	3.8	4.4	2.9	4.0
Dec 02 - Nov 02	4.6	5.5	3.8	4.6
Jan 03 - Dec 02	2.3	3.0	1.1	2.7
Feb 03 - Jan 03	1.7	1.2	2.5	1.6
Mar 03 - Feb 03	0.8	0.5	2.1	0.1
Apr 03 - Mar 03	0.2	0.4	1.2	-0.5
May 03 - Apr 03	0.9	0.8	2.1	0.2
Jun 03 - May 03	-0.2	-0.7	0.4	-0.4
Jul 03 - Jun 03	-0.1	-0.5	-0.1	0.1
Aug 03 - Jul 03	1.4	1.5	1.3	1.6
Sep 03 - Aug 03	2.2	1.9	1.9	2.5
Oct 03 - Sep 03	1.8	1.7	1.7	2.0
Nov 03 - Oct 03	2.0	2.1	2.2	1.8
Dec 03 - Nov 03	2.9	3.0	2.0	3.5
Jan 04 - Dec 03	2.6	2.4	2.5	2.7

TWELVE MONTH INFLATION RATES

Percent

Period	Total	Metropolitan Low Income Group	Metropolitan High Income Group	Non Metropolitan Group
Jan 01 - Jan 00	30.0	27.9	34.8	28.0
Feb 01 - Feb 00	29.1	28.1	31.3	28.4
Mar 01 - Mar 00	28.8	28.0	30.8	28.0
Apr 01 - Apr 00	24.8	24.0	24.7	25.3
May 01 - May 00	22.2	20.8	23.2	22.4
Jun 01 - Jun 00	20.2	17.4	22.4	20.4
Jul 01 - Jul 00	17.1	14.2	18.6	17.8
Aug 01 - Aug 00	16.8	14.9	17.5	17.5
Sep 01 - Sep 00	17.4	15.6	17.4	18.5
Oct 01 - Oct 00	17.2	15.1	16.6	18.6
Nov 01 - Nov 00	17.7	16.8	15.6	19.7
Dec 01 - Dec 00	18.7	19.0	14.1	21.7
Jan 02 - Jan 01	19.6	20.1	13.5	23.6
Feb 02 - Feb 01	19.2	18.6	16.1	21.6
Mar 02 - Mar 01	18.1	17.1	16.0	19.9
Apr 02 - Apr 01	17.8	18.0	16.9	18.3
May 02 - May 01	20.9	22.8	18.3	21.6
Jun 02 - Jun 01	23.6	26.6	20.1	24.3
Jul 02 - Jul 01	23.4	26.9	19.5	24.1
Aug 02 - Aug 01	23.7	26.0	20.0	24.9
Sep 02 - Sep 01	23.8	27.1	19.9	24.7
Oct 02 - Oct 01	23.8	27.7	20.0	24.2
Nov 02 - Nov 01	25.3	29.7	21.2	25.6
Dec 02 - Dec 01	26.7	31.5	23.2	26.2
Jan 03 - Jan 02	24.3	29.1	21.2	23.6
Feb 03 - Feb 02	22.9	26.2	21.3	22.0
Mar 03 - Mar 02	22.6	25.7	22.1	22.1
Apr 03 - Apr 02	23.9	26.1	23.5	22.8
May 03 - May 02	23.7	25.3	24.8	22.2
Jun 03 - Jun 02	21.9	23.2	23.5	20.2
Jul 03 - Jul 02	20.2	20.8	21.8	18.8
Aug 03 - Aug 02	20.3	21.5	21.7	18.8
Sep 03 - Sep 02	21.1	21.6	22.4	19.9
Oct 03 - Oct 02	21.1	21.3	22.7	20.0
Nov 03 - Nov 02	19.1	18.6	21.9	17.5
Dec 03 - Dec 02	17.2	15.8	19.8	16.3
Jan 04 - Jan 03	17.4	15.1	21.5	16.3

These Consumer Price Indices cover three series, namely: -

- The Metropolitan Low Income Group; which covers Low Income households in the urban areas
- The Metropolitan High Income Group; which covers High Income households in the urban areas
- The Non-Metropolitan Group; covering households in rural areas.

The Metropolitan areas comprise the 10 major towns. These include Livingstone, Lusaka urban, Kabwe urban and all the Copperbelt towns. The Metropolitan areas were further classified into Low and High Income households. All the small towns and the rural parts form the Non-Metropolitan.

In addition, a Composite Consumer Price Index series combining the three groups is also compiled. The base period for the Consumer Price Index is 1994.

The Consumer Price Index is calculated based on mid-month prices.

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