

Press Release



Central Statistical Office

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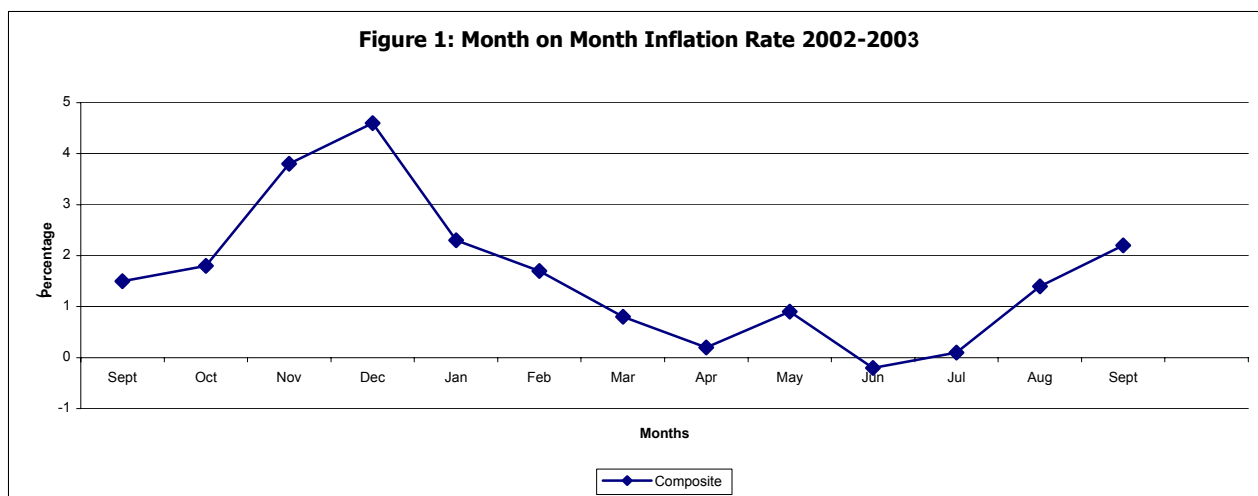
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Consumer Price Index (CPI) - September 2003

The Central Statistical Office through its monthly data collection on prices, today announced that the monthly inflation rate was recorded at 2.2 percent as at September 2003, representing an increase of 0.8 of a percentage point on the August rate of 1.4 percent. Monthly inflation rates for the Metropolitan Low and High Income Groups were recorded at 1.9 percent while the inflation rate for the Non Metropolitan Group was recorded at 2.5 percent.



The annual rate of inflation increased marginally from 20.3 percent in August 2003 to 21.1 percent as at September 2003. The September annual rate of inflation is 0.8 of a percentage point higher than the corresponding August rate. Annual inflation rates for Metropolitan Low and High Income and Non-Metropolitan Groups were recorded at 21.6, 22.4 and 19.9 percent respectively.

The upward trend in the food index was largely due to higher prices for most food products in the month of September 2003. Price increases were observed in Mealie Meal, Cereals, Rice, Fish, Kapenta, Meat, Oils and Fats, Milk and other processed food commodities. Other price increases in food products were observed in Beans, Vegetables, Fruits and Tubers. However, price decreases were observed in a few food items although the magnitude of the price decreases was not large enough to influence the rate of inflation. Price decreases were observed in the following food items; Flour, Non-Alcoholic Beverages and Milk products.

The Food index was recorded at 3.2 percent in September 2003, 1.3 percentage points higher than 1.9 percent recorded for August 2003. Measured on a 12-month basis, Food Inflation stood at 21.2 percent as at September 2003, increasing by 1.5 percentage points on the August rate of 19.7 percent.

Price increases were observed in all Non-Food sectors except for the Rent, Fuel and Lighting as well as in the Transport and Communications sectors. The decrease recorded for the composite Rent, Fuel and Lighting sector was largely due to the reduction in the cost of paraffin and charcoal, while the decrease in the composite Transport and Communications sector was largely as a result of the reduction in the pump price per litre of fuel and the cost of air fares. The Non – Food index recorded a monthly increase of 1.1 percent as at September 2003, compared to the August increase of 1.0 percent. Measured on an annual basis, the Non-Food inflation stood at 21.0 percent as at September 2003.

The average price of a 25Kg bag of Roller Meal increased by 2.1 percent, from K24,904 in August 2003 to K25,435 in September 2003. Maize grain measured in a 20 litre tin also registered an increase, from K11,054 in August 2003 to K12,075, reflecting an increase of 9.2 percent.

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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