

Press Release



Republic of Zambia

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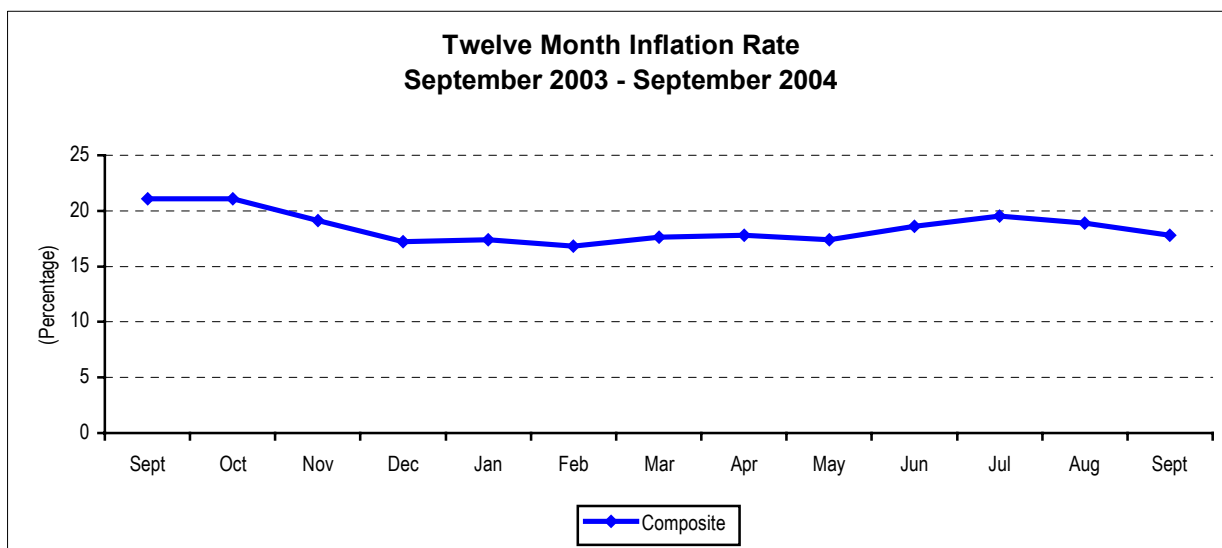
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Consumer Price Index (CPI) - September 2004

The Central Statistical Office through its monthly survey on consumer prices today announced that the annual rate of inflation was recorded at 17.8 percent as at September 2004. This rate is 1.1 percentage points lower than the August rate of 18.9 percent. Compared with September 2003, the annual rate of inflation declined by 3.3 percentage points, from 21.1 percent in September 2003 to 17.8 percent in September 2004.

Annual inflation rates for the Metropolitan Low, High Income and Non-Metropolitan Groups are recorded at 16.1, 18.5 and 18.2 percent respectively.

Between August and September 2004, the Consumer Price Index increased by 1.2 percent.



Contributions of different Groups to overall inflation

The annual inflation rate for September is 1.1 percentage points lower than the August rate of 18.9 percent. This drop of 1.1 percentage points is accounted for by food, beverages and tobacco. There were no significant shifts in the contribution of other groups to the decrease in inflation between August and September 2004.

Further more, of the total 17.8 percent annual inflation in September 2004, increases in food prices accounted for 8.3 percentage points while non-food items in the CPI accounted for 9.5 percentage points.

Group	Percentage Points Contributions of different Groups to overall inflation	
	August	September
Food Beverages and Tobacco	9.8	8.3
Clothing and Footwear	2.0	2.0
Rent , Fuel and Lighting	1.4	1.6
Furniture and Household Goods	2.5	2.4
Medical Care	0.2	0.1
Transport and Communication	1.1	1.5
Recreation and Education	1.3	1.3
Other Goods and Services	0.6	0.6
All Items	18.9	17.8

Annual food inflation was recorded at 15.7 percent, declining by 3.0 percentage points on the August rate of 18.7 percent. From August to September 2004, the index for food increased by 0.6 percent.

Relatively stable prices were recorded for most food items including maize meal, maize grain, fish, fresh vegetables, dried beans, eggs, dried Kapenta, sweet potatoes, irish potatoes, cassava tubers, other cereals and cereal products, milk and milk products, cooking oil and other processed food items.

Annual non-food inflation rate stood at 20.1 percent, increasing by 0.9 of a percentage point on the August rate of 19.2 percent. Between August and September 2004, the Non-Food index increased by 1.9 percent. Non-food inflation was attributed to increases in the cost of household energy (paraffin), fuel, house rent, furniture and household appliances, clothing and footwear. Overall, these increases in the cost of non-food items were counteracted by stable food prices.

A comparison of prices between August and September 2004, shows that the average price of a 25kg bag of Roller meal dropped by 0.4 percent, from K24,281 in August to K24,186 in September 2004. The average price of Maize Grain measured in a 20-litre tin almost remained unchanged at K11,279 in September compared with K11,099 recorded in August 2004. The average price of 1kg of tomatoes decreased by 14.6 percent, while the price of 1kg of cassava meal went down by 20.3 percent. However, the price of fillet steak (beef) increased by 3.7 percent.

**TABLE 1: 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
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
2003	860.5	847.1	852.5	873.6
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
February	970.3	946.8	958.6	991.8
March	984.8	964.2	968.1	1008.0
April	987.9	967.4	977.4	1004.0
May	994.4	974.9	991.5	1007.8
June	1002.0	983.0	1000.2	1014.4
July	1008.2	984.5	1007.2	1022.9
August	1017.9	987.1	1020.8	1034.1
September	1030.3	994.2	1036.4	1047.5

TABLE 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
Feb 04 - Jan 04	1.1	1.0	0.8	1.4
Mar 04 - Feb 04	1.5	1.8	1.0	1.6
Apr 04 - Mar 04	0.3	0.3	1.0	-0.1
May 04 - Apr 04	0.7	0.8	1.4	0.1
Jun 04 - May 04	0.8	0.8	0.9	0.7
Jul 04 - Jun 04	0.6	0.1	0.7	0.8
Aug 04 - Jul 04	1.0	0.3	1.4	1.1
Sep 04 - Aug 04	1.2	0.7	1.5	1.3

TABLE 3: 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
Feb 04 - Feb 03	16.8	15.0	19.6	16.0
Mar 04 - Mar 03	17.6	16.4	18.3	17.9
Apr 04 - Apr 03	17.8	16.4	18.1	18.3
May 04 - May 03	17.4	16.4	17.3	18.1
Jun 04 - Jun 03	18.6	18.2	17.9	19.3
Jul 04 - Jul 03	19.5	18.9	18.8	20.2
Aug 04 - Aug 03	18.9	17.5	18.9	19.7
Sep 04 - Sep 03	17.8	16.1	18.5	18.2

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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