

Press Release



Republic of Zambia

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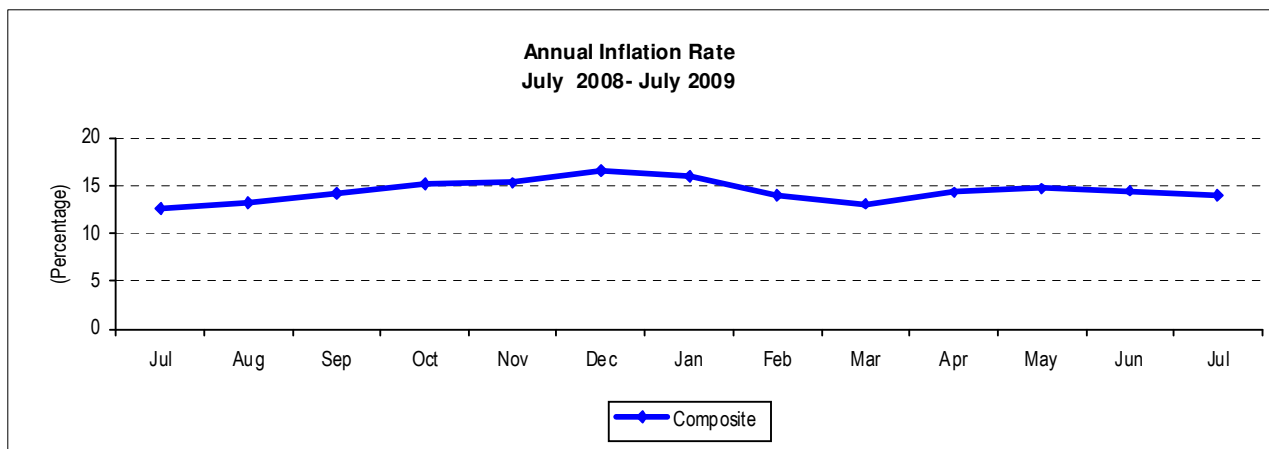
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Consumer Price Index (CPI) – July 2009

The annual rate of inflation, as measured by the all items Consumer Price Index (CPI), reduced by 0.4 of a percentage point from 14.4 percent in June, 2009 to 14.0 percent in July, 2009. The decline in the annual inflation rate in July 2009 was mainly due to the reductions in the prices of non- food products.



Contributions of the different Items to overall Inflation

Of the total 14.0 percent annual inflation in July 2009, food products in the Consumer Price Index (CPI), accounted for 7.3 percentage points, while non-food products accounted for a total of 6.7 percentage points.

Item	Percentage Points Contributions of different Items to overall inflation	
	May-09	Jun-09
Food, Beverages and Tobacco	7.0	7.3
Clothing and Footwear	0.9	0.9
Rent and household energy	1.1	0.9
Furniture and Household Goods	2.5	2.5
Medical Care	0.1	0.1
Transport (fuel, air fares, new motor vehicles)	1.6	1.1
Recreation and Education	0.5	0.5
Other Goods and Services	0.7	0.7
All Items	14.4	14.0

The annual food inflation rate

The annual food inflation rate was recorded at 14.9 percent in July 2009, up from 14.1 percent in June 2009. Contributing most to the increase in food inflation were increases in the cost of cereals and cereal products, fish, kapenta, dried beans, cooking oil, fresh milk and milk products, tea, coffee and other processed food products.

However, reductions were recorded in the cost of white breakfast mealie meal; white roller mealie meal; maize grain; meat; fresh; vegetables; sweet potatoes; and irish potatoes.

Non-food inflation

The annual non-food inflation rate stood at 13.1 percent in July 2009. This is a reduction from 14.7 percent that was recorded in June 2009. Regarding disaggregate groups, the annual inflation rates increased for clothing and foot wear; medical care; recreation and education. On the other hand, the annual inflation rates reduced for rent; fuel and lighting; furniture and household goods; transport and communication; and other goods and services.

Retail prices of selected food products

A comparison of retail prices between June 2009 and July 2009, shows that the national average price of a 25 kg bag of white breakfast mealie meal reduced by 2.7 percent, from K64,966 to K63,201, while the national average price of a 25 kg bag of white roller mealie meal reduced by 4.3 percent, from K46,419 to K44,413. The national average price of a 20 litre tin of maize grain declined by 1.7 percent, from K21,244 to K20,886.

However, the national average price of 1kg of dried kapenta (Siavonga) increased by 2.6 percent, from K43,945 to K45,072, while the national average price of 1kg of tomatoes reduced by 5.7 percent, from K4,863 to K4,588.

**TABLE 1: Index Numbers of Consumer Prices by Food and Non-Food Items
(1994 WEIGHTS)**

1994 = 100

Period	Total	Food	Non-Food
Weight	1000	571	429
1990	4.3	4.0	4.8
1991	8.6	7.7	9.8
1992	22.8	23.2	22.4
1993	64.7	66.2	62.7
1994	100.0	100.0	100.0
1995	134.9	135.2	134.5
1996	193.0	192.7	193.4
1997	240.2	234.0	248.3
1998	298.9	291.5	308.7
1999	379.0	357.3	407.7
2000	477.7	438.0	530.2
2001	579.9	520.7	658.4
2002	708.8	661.6	771.3
2005 January	1134.3	1059.3	1233.8
February	1151.6	1072.5	1256.7
March	1156.1	1072.0	1267.8
April	1171.5	1086.6	1284.1
May	1184.7	1098.6	1299.2
June	1194.8	1102.4	1317.5
July	1196.6	1100.9	1323.9
August	1214.4	1126.1	1331.6
September	1231.2	1136.1	1357.6
October	1244.1	1148.9	1370.5
November	1260.6	1172.9	1377.1
December	1273.2	1200.9	1369.3
2006 January	1272.3	1194.5	1375.7
February	1270.0	1182.2	1386.5
March	1279.6	1189.3	1399.3
April	1281.6	1176.7	1420.7
May	1286.8	1159.7	1455.3
June	1296.8	1160.8	1477.2
July	1300.2	1147.9	1504.2
August	1311.1	1131.1	1549.9
September	1332.6	1152.7	1571.3
October	1341.8	1160.7	1582.0
November	1362.2	1182.4	1600.7
December	1378.1	1198.1	1616.9
2007 January	1397.5	1206.8	1650.5
February	1430.1	1231.4	1693.6
March	1441.9	1247.2	1700.1
April	1441.0	1241.2	1706.0
May	1438.0	1225.4	1720.0
June	1441.0	1216.5	1738.9
July	1445.8	1224.4	1739.5
August	1450.9	1220.6	1756.5
September	1457.1	1223.9	1766.5
October	1462.0	1226.2	1774.9
November	1481.2	1243.8	1796.2
December	1501.2	1268.6	1809.8
2008 January	1527.9	1290.1	1843.4
February	1566.4	1342.9	1863.0
March	1582.7	1360.5	1877.4
April	1587.2	1362.4	1885.4
May	1594.1	1368.2	1893.8
June	1615.3	1406.8	1892.0
July	1628.7	1397.9	1934.8
August	1643.0	1419.2	1940.0
September	1664.2	1422.1	1985.6
October	1684.1	1441.4	2006.3
November	1708.3	1473.7	2019.7
December	1749.8	1528.5	2043.4
2009 January	1773.0	1565.2	2048.8
February	1785.0	1562.0	2081.1
March	1789.9	1549.9	2108.5
April	1813.7	1579.2	2125.0
May	1828.0	1588.6	2145.8
June	1847.9	1604.6	2171.0
July	1856.5	1606.6	2188.1

TABLE 2: MONTH ON MONTH INFLATION RATES

Percent

Period	Total	Food	Non-Food
Jan 04 - Dec 03	2.6	2.3	2.9
Feb 04 - Jan 04	1.1	0.9	1.4
Mar 04 - Feb 04	1.5	2.0	1.0
Apr 04 - Mar 04	0.3	-0.4	1.1
May 04 - Apr 04	0.7	0.1	1.3
Jun 04 - May 04	0.8	0.2	1.3
Jul 04 - Jun 04	0.6	0.4	0.9
Aug 04 - Jul 04	1.0	0.9	1.1
Sep 04 - Aug 04	1.2	0.6	1.9
Oct 04 - Sep 04	2.1	2.7	1.3
Nov 04 - Oct 04	2.3	2.6	1.9
Dec 04 - Nov 04	2.2	3.0	1.3
Jan 05 - Dec 04	3.2	3.7	2.7
Feb 05 - Jan 05	1.5	1.2	1.9
Mar 05 - Feb 05	0.4	0.0	0.9
Apr 05 - Mar 05	1.3	1.4	1.3
May 05 - Apr 05	1.1	1.1	1.2
Jun 05 - May 05	0.8	0.3	1.4
Jul 05 - Jun 05	0.2	-0.1	0.5
Aug 05 - Jul 05	1.5	2.3	0.6
Sep 05 - Aug 05	1.4	0.9	1.9
Oct 05 - Sep 05	1.1	1.1	1.0
Nov 05 - Oct 05	1.3	2.1	0.5
Dec 05 - Nov 05	1.0	2.4	-0.6
Jan 06 - Dec 05	-0.1	-0.5	0.5
Feb 06 - Jan 06	-0.2	-1.0	0.8
Mar 06 - Feb 06	0.8	0.6	0.9
Apr 06 - Mar 06	0.2	-1.1	0.5
May 06 - Apr 06	0.4	-1.4	2.4
Jun 06 - May 06	0.8	0.1	1.5
Jul 06 - Jun 06	0.3	-1.1	1.8
Aug 06 - Jul 06	0.8	-1.5	3.0
Sep 06 - Aug 06	1.6	1.9	1.4
Oct 06 - Sep 06	0.7	0.7	0.7
Nov 06 - Oct 06	1.5	1.9	1.2
Dec 06 - Nov 06	1.2	1.3	1.0
Jan 07 - Dec 06	1.4	0.7	2.1
Feb 07 - Jan 07	2.3	2.0	2.6
Mar 07 - Feb 07	0.8	1.3	0.4
Apr 07 - Mar 07	-0.1	-0.5	0.4
May 07 - Apr 07	-0.2	-1.3	0.8
Jun 07 - May 07	0.2	-0.7	1.1
Jul 07 - Jun 07	0.3	0.6	0.0
Aug 07 - Jul 07	0.4	-0.3	1.0
Sep 07 - Aug 07	0.4	0.3	0.6
Oct 07 - Sep 07	0.3	0.2	0.5
Nov 07 - Oct 07	1.3	1.4	1.2
Dec 07 - Nov 07	1.3	2.0	0.8
Jan 08 - Dec 07	1.8	1.7	1.9
Feb 08 - Jan 08	2.5	4.1	1.1
Mar 08 - Feb 08	1.0	1.3	0.8
Apr 08 - Mar 08	0.3	0.1	0.4
May 08 - Apr 08	0.4	0.4	0.5
Jun 08 - May 08	1.3	2.8	-0.1
Jul 08 - Jun 08	0.8	-0.6	2.3
Aug 08 - Jul 08	0.9	1.5	0.3
Sep 08 - Aug 08	1.3	0.2	2.3
Oct 08 - Sep 08	1.2	1.4	1.5
Nov 08 - Oct 08	1.4	2.2	0.7
Dec 08 - Nov 08	2.4	3.7	1.2
Jan 09 - Dec 08	1.3	2.4	0.3
Feb 09 - Jan 09	0.7	-0.2	1.6
Mar 09 - Feb 09	0.3	-0.8	1.3
Apr 09 - Mar 09	1.3	1.9	0.8
May 09 - Apr 09	0.8	0.6	1.0
Jun 09 - May 09	1.1	1.0	1.2
Jul 09 - Jun 09	0.5	0.1	0.8

TABLE 3: TWELVE-MONTH INFLATION RATES

Percent

Period	Total	Food	Non-Food
Jan 04 - Jan 03	17.4	12.5	23.5
Feb 04 - Feb 03	16.8	12.9	21.6
Mar 04 - Mar 03	17.6	15.9	19.6
Apr 04 - Apr 03	17.8	16.3	19.4
May 04 - May 03	17.4	16.9	18.0
Jun 04 - Jun 03	18.6	18.7	18.5
Jul 04 - Jul 03	19.5	19.9	19.0
Aug 04 - Aug 03	18.9	18.7	19.2
Sep 04 - Sep 03	17.8	15.7	20.1
Oct 04 - Oct 03	18.0	16.0	20.3
Nov 04 - Nov 03	18.3	16.8	20.0
Dec 04 - Dec 03	17.5	16.3	18.9
Jan 05 - Jan 04	18.2	17.9	18.7
Feb 05 - Feb 04	18.7	18.3	19.1
Mar 05 - Mar 04	17.4	16.0	19.0
Apr 05 - Apr 04	18.6	18.0	19.3
May 05 - May 04	19.1	19.1	19.2
Jun 05 - Jun 04	19.2	19.3	19.2
Jul 05 - Jul 04	18.7	18.7	18.7
Aug 05 - Aug 04	19.3	20.4	18.2
Sep 05 - Sep 04	19.5	20.7	18.2
Oct 05 - Oct 04	18.3	18.8	17.8
Nov 05 - Nov 04	17.2	18.3	16.1
Dec 05 - Dec 04	15.9	17.5	14.0
Jan 06 - Jan 05	12.2	12.8	11.5
Feb 06 - Feb 05	10.3	10.2	10.3
Mar 06 - Mar 05	10.7	10.9	10.4
Apr 06 - Apr 05	9.4	8.3	10.6
May 06 - May 05	8.6	5.6	12.0
Jun 06 - Jun 05	8.5	5.3	12.1
Jul 06 - Jul 05	8.7	4.3	13.6
Aug 06 - Aug 05	8.0	0.4	16.4
Sep 06 - Sep 05	8.2	1.5	15.7
Oct 06 - Oct 05	7.9	1.0	15.4
Nov 06 - Nov 05	8.1	0.8	16.2
Dec 06 - Dec 05	8.2	-0.2	18.1
Jan 07 - Jan 06	9.8	1.0	20.0
Feb 07 - Feb 06	12.6	4.2	22.1
Mar 07 - Mar 06	12.7	4.9	21.5
Apr 07 - Apr 06	12.4	5.5	20.1
May 07 - May 06	11.8	5.7	18.2
Jun 07 - Jun 06	11.1	4.8	17.7
Jul 07 - Jul 06	11.2	6.7	15.6
Aug 07 - Aug 06	10.7	7.9	13.3
Sep 07 - Sep 06	9.3	6.2	12.4
Oct 07 - Oct 06	9.0	5.6	12.2
Nov 07 - Nov 06	8.7	5.2	12.2
Dec 07 - Dec 06	8.9	5.9	11.9
Jan 08 - Jan 07	9.3	6.9	11.7
Feb 08 - Feb 07	9.5	9.1	10.0
Mar 08 - Mar 07	9.8	9.1	10.4
Apr 08 - Apr 07	10.1	9.8	10.5
May 08 - Apr 07	10.9	11.7	10.1
Jun 08 - Jun 07	12.1	15.6	8.8
Jul 08 - Jul 07	12.6	14.2	11.2
Aug 08 - Aug 07	13.2	16.3	10.4
Sep 08 - Sep 07	14.2	16.2	12.4
Oct 08 - Oct 07	15.2	17.6	13.0
Nov 08 - Nov 07	15.3	18.5	12.4
Dec 08 - Dec 07	16.6	20.5	12.9
Jan 09 - Jan 08	16.0	21.3	11.1
Feb 09 - Feb 08	14.0	16.3	11.7
Mar 09 - Mar 08	13.1	13.9	12.3
Apr 09 - Apr 08	14.3	15.9	12.7
May 09 - May 08	14.7	16.1	13.3
Jun 09 - Jun 08	14.4	14.1	14.7
Jul 09 - Jul 08	14.0	14.9	13.1

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 are 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.

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