

Press Release



Republic of Zambia

Central Statistical Office

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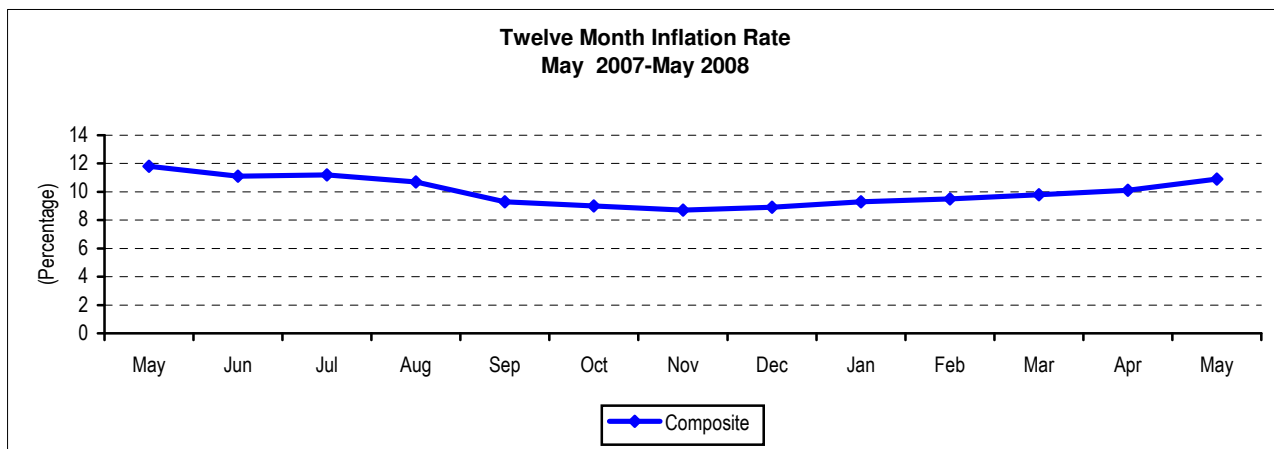
Information
Enquiries

Tel: +260-1-253468
Tel/Fax: +260-1-253468/253609
E-mail: info@zamstats.gov.zm
Website: www.zamstats.gov.zm

Consumer Price Index (CPI) – May 2008

The Central Statistical Office through its monthly survey on consumer prices today announced that the annual rate of inflation, as measured by the all items Consumer Price Index (CPI), was recorded at 10.9 percent as at May 2008. This rate is 0.8 percentage points higher than the April rate of 10.1 percent. Compared with the same period last year, the annual rate of inflation declined by 0.9 percentage points, from 11.8 percent in May 2007 to 10.9 percent in May 2008.

The May 2008 inflation rate of 10.9 percent means that prices as measured by the all items Consumer Price Index (CPI) increased by an average of 10.9 percent between May 2007 and May 2008.



Contributions of the different Items to overall Inflation

The increase of 0.8 percentage points in the annual inflation rate from 10.1 percent in April 2008 to 10.9 percent in May 2008 is attributed to the increase in the cost of food products.

Of the total 10.9 percent annual inflation in April 2008, food products accounted for 5.7 percentage points while non-food products in the Consumer Price Index (CPI) accounted for a total of 5.2 percentage points.

Item	Percentage Points Contributions of different Items to overall inflation	
	April 2008	May 2008
Food, Beverages and Tobacco	4.8	5.7
Clothing and Footwear	1.0	1.0
Rent and household energy	1.4	1.4
Furniture and Household Goods	1.7	1.6
Medical Care	0.1	0.1
Transport (fuel, air fares, new motor vehicles)	0.0	0.0
Recreation and Education	0.8	0.8
Other Goods and Services	0.3	0.3
All Items	10.1	10.9

The annual food inflation rate

The annual food inflation rate was recorded at 11.7 percent in May 2008, compared to 9.8 percent in April 2008. Contributing most to food inflation were increases in the cost of a 25kg bag of breakfast mealie meal, other cereals and cereal products, meat, fresh vegetables, cooking oil, milk and milk products, table salt, sugar and other processed food products. Partially offsetting these increases were declines in the cost of maize grain, fish, dried kapenta, dried beans, tubers and shelled groundnuts.

The annual non-food inflation rate

The annual non-food inflation rate was recorded at 10.1 percent in May 2008, down from 10.5 percent in April 2008. Regarding disaggregated groups, the annual inflation rates increased for medical care, transport and communication, recreation and education, other goods and services. However, it declined for clothing and footwear, rent and household energy, furniture and household goods main groups.

Retail prices of selected items

A comparison of retail prices between April 2008 and May 2008, shows that the national average price of a 25 kg bag of breakfast mealie meal increased by 3.8 percent, from K43,615 to K45,260. The national average price of a 20 litre tin of maize grain declined by 18.4 percent, from K19,814 to K16,170. The national average price of 1kg dried kapenta (Siavonga) declined by 1.9 percent, while the national average price of 1kg of tomatoes increased by 25.9 percent.

**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	
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2004	January	959.4	898.7	1039.8
	February	970.3	906.6	1054.8
	March	984.8	924.3	1065.0
	April	987.9	921.0	1076.6
	May	994.4	922.1	1090.4
	June	1002.0	924.4	1105.1
	July	1008.2	927.7	1115.0
	August	1017.9	935.7	1127.0
	September	1030.3	941.2	1148.5
	October	1051.5	966.9	1163.7
	November	1075.3	991.9	1186.0
	December	1099.0	1021.7	1201.5
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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
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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	1894.1

TABLE 2: MONTH ON MONTH INFLATION RATES

Percent

Period	Total	Food	Non-Food
Jan 03 - Dec 02	2.3	3.2	1.1
Feb 03 - Jan 03	1.7	0.5	3.3
Mar 03 - Feb 03	0.8	-0.7	2.6
Apr 03 - Mar 03	0.2	-0.7	1.3
May 03 - Apr 03	0.9	-0.4	2.5
Jun 03 - May 03	-0.2	-0.3	0.9
Jul 03 - Jun 03	-0.1	-0.6	0.5
Aug 03 - Jul 03	1.4	1.9	1.0
Sep 03 - Aug 03	2.2	3.2	1.1
Oct 03 - Sep 03	1.8	2.4	1.2
Nov 03 - Oct 03	2.0	1.9	2.2
Dec 03 - Nov 03	2.9	3.5	2.2
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

TABLE 3: TWELVE-MONTH INFLATION RATES

Percent

Period	Total	Food	Non-Food
Jan 03 - Jan 02	24.3	31.1	16.5
Feb 03 - Feb 02	22.8	27.1	18.0
Mar 03 - Mar 02	22.6	25.7	19.0
Apr 03 - Apr 02	23.9	26.9	20.5
May 03 - May 02	23.7	24.9	22.4
Jun 03 - Jun 02	21.9	22.1	21.8
Jul 03 - Jul 02	20.2	19.3	21.1
Aug 03 - Aug 02	20.3	19.7	21.0
Sep 03 - Sep 02	21.1	21.2	21.0
Oct 03 - Oct 02	21.1	21.2	21.3
Nov 03 - Nov 02	19.1	16.6	22.1
Dec 03 - Dec 02	17.2	13.5	21.7
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

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.

Efreda Chulu (Ms)
DIRECTOR OF CENSUS AND STATISTICS