



REPUBLIC OF KENYA
THE NATIONAL TREASURY AND ECONOMIC PLANNING

PRESS RELEASE

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CONSUMER PRICE INDEX REPORT FOR MAY 2023

What is a Consumer Price Index (CPI)?

It is as a measure of the weighted aggregate change in retail prices paid by consumers for a given basket of goods and services. Inflation rate is a percentage change of the CPI between two periods.

Why is it important?

Consumer Price Index is a key macroeconomic indicator used to monitor price movements to inform, and track monetary and fiscal policies, and labour negotiations.

In what locations are the prices collected from?

Prices of different commodities are collected from selected retail outlets located in 50 data collection zones in Nairobi and other urban areas. The collection of retail prices for the compilation of the Kenya CPI is conducted during the second and third weeks of every month.

What are the recent changes in consumer prices?

The overall year on year inflation rate as measured by the Consumer Price Index (CPI) was 8.0 per cent, in May 2023. The increase in inflation was largely due to increase in prices of commodities under Food and Non-alcoholic Beverages (10.2%); and Housing, Water, Electricity, Gas and other fuels (9.7%); and Transport (10.1%) between May 2022 and May 2023. These three divisions account for over 57 per cent of the weights of the 13 broad categories. Prices of commodities under Personal Care, Social Protection and Miscellaneous Goods and Services recorded an increase of 8.1 per cent over the period, in part due to imported goods.

The CPI increased by 0.9 per cent from an index of 131.83 in April 2023 to 133.01 in May 2023. The month-to-month Food and Non-Alcoholic Beverages Index increased by 1.4 per cent between April 2023 and May 2023.

Table 1: Overall CPI and Rates of Inflation

Month	Overall CPI	Inflation Rate
May 2022	123.12	7.1
June 2022	124.22	7.9
July 2022	125.05	8.3
August 2022	125.58	8.5
September 2022	126.73	9.2
October 2022	127.86	9.6
November 2022	128.31	9.5
December 2022	128.99	9.1
January 2023	129.29	9.0
February 2023	130.13	9.2
March 2023	131.18	9.2
April 2023	131.83	7.9
May 2023	133.01	8.0

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