30th AUGUST, 2019

ZANZIBAR CONSUMER PRICE INDEX (CPI) FOR AUGUST, 2019

ANNUAL HEADLINE INFLATION RATE DECREASED TO 2.1 PERCENT

Zanzibar Annual Headline Inflation rate for the year ending August 2019 decreased to 2.1 percent compared to 2.4 percent recorded during the year ended July 2019. Food and Non-Alcoholic Beverages inflation rate increased to 2.0 percent in August 2019 from 1.8 percent recorded in July 2019. The overall Index increased to 111.6 in August 2019 compared to 109.3 recorded in August 2018 **(Table 1)**.

TABLE 1: CHANGES IN CONSUMER PRICE INDICES FOR AUGUST, 2019
(BASE JAN. 2017 = 100)

Description	Weights	INDICES			% Change on last Month (July 2019 to August 2019)	% Change on same Month of previous year (August 2018 to August 2019)	Yearly Point Contribution
		August 2018	July 2019	August 2019			
Food and Non-Alcoholic Beverages	43.6	108.3	108.3	110.4	2.0	2.0	0.9
Alcohol Beverages, Tobacco and Narcotics	0.2	108.4	121.9	134.9	10.6	24.5	0.0
Clothing and Footwear	6.9	105.4	106.6	107.0	0.3	1.5	0.1
Housing, Water, Electricity, Gas, and Other Fuels	18.4	115.9	113.6	113.9	0.2	-1.7	-0.3
Furnishing, Household Equipment and Routine Household Maintenance	5.5	114.9	117.3	117.5	0.2	2.3	0.1
Health	2.1	106.3	113.8	114.2	0.3	7.3	0.2
Transport	9.6	113.1	116.3	114.1	-1.9	0.9	0.1
Communication	4.2	99.1	114.8	114.8	0.0	15.8	0.7
Recreation and Culture	1.3	105.1	110.1	110.1	0.0	4.7	0.1
Education	1.9	105.4	109.7	109.7	0.0	4.0	0.1
Restaurants and Hotels	3.9	100.2	106.3	106.3	0.0	6.0	0.2
Miscellaneous Goods and Services	2.3	102.7	107.2	107.7	0.5	4.9	0.1
All Items	**100.0**	**109.3**	**110.8**	**111.6**	**0.8**		**2.1**

Source: Office of the Chief Government Statistician, Zanzibar

ANNUAL FOOD AND NON-FOOD INFLATION RATES

Annual Inflation Rate for food increased to 2.0 percent for the year ending August 2019 compared to 1.8 percent recorded for the year ended July, 2019. The overall index for food increased to 110.5 in August 2019 compared to 108.3 recorded in August 2018, while overall index for non-food increased to 112.5 in August 2019 compared to 110.1 in August 2018. Annual inflation rate for non-food decreased to 2.2 percent in August 2019 compared to 2.8 per cent in July 2019 (**Table 2**). Products contribute to decrease for Annual inflation rate were Mbeya Rice (4.9%), Fish item (5.3%), Petrol (9.3%), Diesel (7.5%) and Kerosene (9.7%) (**Table 3**).

TABLE 2: FOOD AND NON-FOOD STATISTICS

Group	Weights	INDICES			% Change on last Month (July 2019 to August 2019)	% Change on same Month of previous year (August 2018 to August 2019)
		August 2018	July 2019	August 2019		
Food	42.7	108.3	108.3	110.5	2.0	2.0
Non-Food	57.3	110.1	112.6	112.5	-0.1	2.2
All Item	**100.0**	**109.3**	**110.8**	**111.6**	**0.8**	**2.1**

Source: Office of the Chief Government Statistician, Zanzibar

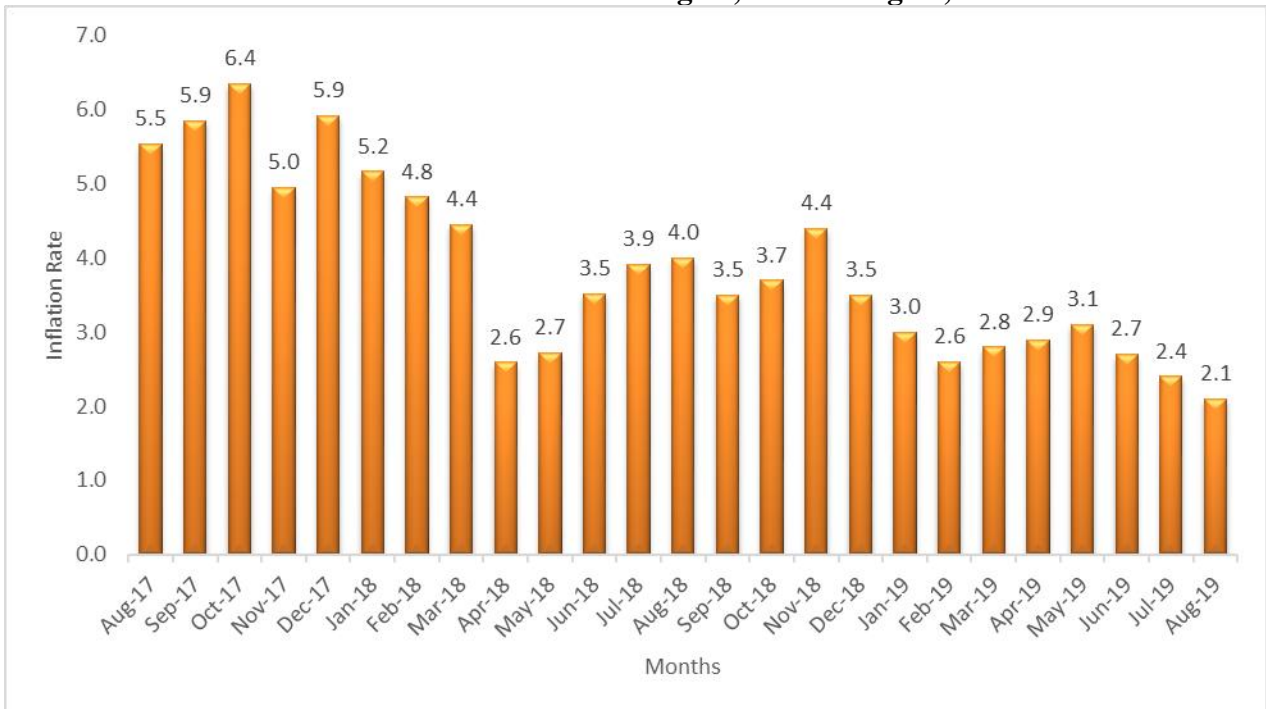## MONTHLY HEADLINE INFLATION RATE INCREASE TO 0.8 PERCENT IN AUGUST, 2019

During August 2019 the monthly headline inflation rate increased to 0.8 percent compared with negative 0.5 percent recorded for the month ended July 2019. The monthly Food and Non-Alcoholic Beverages inflation rate for the month ending August, 2019 increased to 2.0 percent compared to negative 1.9 percent for the month ended July 2019 (Table 1). The increase of monthly inflation rate was due to increase of prices of items such as Thailand Rice (1.5%), Mbeya Rice (0.5%), Green Cooking Bananas (8.0%), Yellow Bananas (6.0%), White Sugar (0.6%). (**Table 3**).

Table 3: Monthly Average Prices for Selected Items 2018 - 2019

Items	Unit	AVERAGE PRICES			% Monthly	% Annually
		August 2018	July 2019	August 2019		
Thailand rice	1 kg	1,393	1,531	1,553	1.5	11.5
Mbeya	1 kg	2,406	2,277	2,289	0.5	-4.9
Jasmi	1 kg	1,937	2,085	2,085	0.0	7.7
Basmat	1 kg	3,696	3,712	3,723	0.3	0.7
Flatbread (Boflo)	1pc	363	408	423	3.8	16.5
Maize Flour	1kg	1,170	1,319	1,302	-1.3	11.2
Wheat Flour	1kg	1,313	1,365	1,365	0.0	4.0
Fish	1kg	10,594	9,701	10,037	3.5	-5.3
Edible cooking Oils (OKI)	2 litre	7,443	7,633	7,633	0.0	2.5
Green Cooking Bananas	1kg	1,134	1,143	1,234	8.0	8.8
Yellow Cooking Bananas	1kg	2,391	2,447	2,594	6.0	8.5
White Sugar	1kg	1,812	1,886	1,897	0.6	4.7
Cement	50 kg	14,785	16,773	16,346	-2.6	10.6
Kerosene	1 litre	1,854	1,753	1,675	-4.4	-9.7
Petrol	1 litre	2,405	2,338	2,181	-6.7	-9.3
Diesel	1 litre	2,400	2,319	2,221	-4.2	-7.5

Source: Office of the Chief Government Statistician, Zanzibar

Chart 1: Zanzibar Inflation Rate from August, 2017 – August, 2019

Source: Office of the Chief Government Statistician, Zanzibar

Explanatory Note

The CPI measures the average percentage changes over time (between two time periods) in the prices of a "basket" of consumer goods and services acquired by households (the market basket) in Zanzibar. The Zanzibar CPI covers prices of 343 items collected in 641 outlets in Unguja and Pemba urban Centers. The goods and services included in the ZCPI basket are classified according to the UN COICOP (Classification of Individual Consumption According by Purpose) with 12 divisions.

The ZCPI weights are based on both monetary and non-momentary expenditures relating to consumption for households in Zanzibar for the 2014/15 Household Budget Survey (HBS). The weight is based on expenditures of both urban and rural households. Both base price and index has reference period of January 2017.

The computation of indices at elementary level based on geometric mean of the price relative while at higher level the Laspeyres formula was to compute the aggregate indices.

For more clarifications please contact:
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