



National Bureau of Statistics

P. O .Box 796 Tel: +255 (022)2122722/3
Dar es Salaam, -TANZANIA

Fax:+225 (022)2130852
E-mail: nbs.dg@raha.com

STATISTICS RELEASE

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DECEMBER 2003 INFLATION RATE STAGNATES

Inflation rate for December 2003 has remained the same as was for November 2003. According to the National Consumer Price Index (NCPI), inflation rate for December 2003 is 4.6 percent in comparison with the figures for December the previous year. The December 2003 inflation rate has remained stagnant when compared with November 2003 inflation figure, which was 4.6 percent as measured on a year - to - year basis.

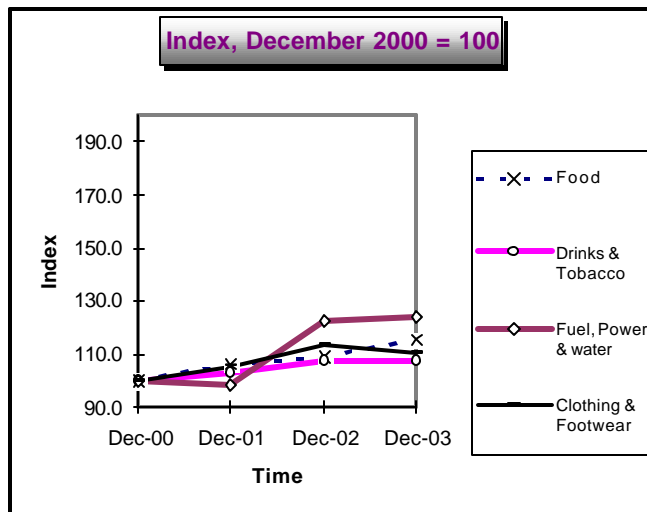
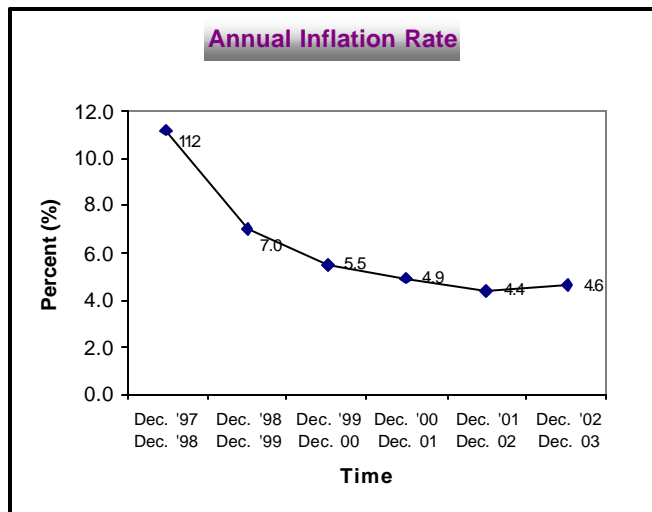
The December inflation rate as measured on a month-to-month basis, that is between November 2003 and December 2003 went up by 2.6 percent. The overall Index increased from 236.8 in November 2003 to 242.9 in December 2003. Prices for both food and non-food items had gone up. Under the main Food Group, the sub groups that had increased prices were cereals (rice, maize grain and maize flour), meat and fish. Other food items like, quaker oats, milk powder, bananas, potatoes and onions had also increased prices. In the Drinks and Tobacco group, price of beer had gone up. Non-food items that had increased prices were rent, charcoal, cough syrup, toilet soap and toothpaste. However, prices for clothing, footwear, furniture, insecticides, radio cassettes, secondary school uniforms, wrist watches, handbags and umbrellas had gone down. Details of the National Consumer Price Index for the month of December 2003 by consumption groups are tabulated below: -

NATIONAL CONSUMER PRICE INDEX (URBAN) DECEMBER 2003 (Base: December 1994 = 100)

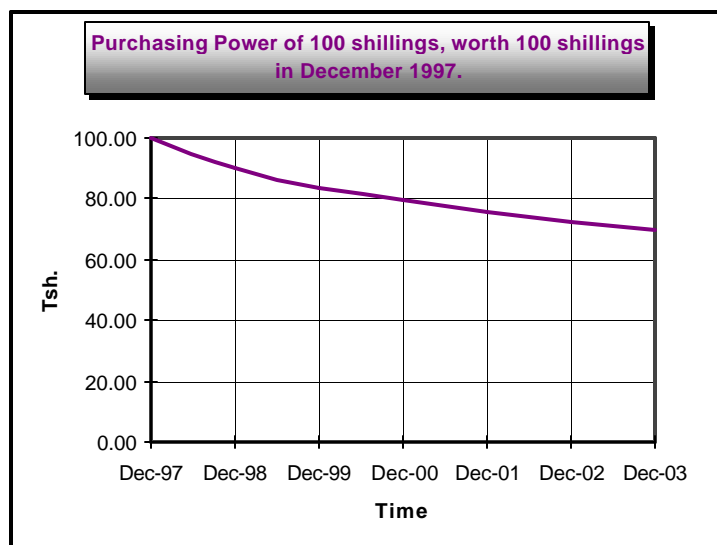
MAIN GROUP		Weight	Dec. 2003	Nov. 2003	% Change Nov. 2003 to Dec. 2003	Dec. 2002	% Change Dec. 2002 to Dec. 2003
1.	Food	71.2	253.0	244.6	+ 3.4	239.1	+ 5.8
2.	Drinks and Tobacco	4.4	184.5	184.0	+ 0.3	183.7	+ 0.4
3.	Rents	3.9	214.4	211.8	+ 1.2	202.3	+ 6.0
4.	Fuel, Power and Water	4.7	342.0	340.1	+ 0.6	338.2	+ 1.1
5.	Clothing and Footwear	3.7	202.9	203.9	- 0.5	208.4	- 2.6
6.	Furniture & Household Equipment	2.5	206.5	206.9	- 0.2	202.0	+ 2.2
7.	Household Operations & Maintenance	1.5	169.4	169.8	- 0.2	164.3	+ 3.1
8.	Personal Care & Health	2.2	158.6	158.4	+ 0.1	156.5	+ 1.3
9.	Recreation & Entertainment	1.2	176.2	176.7	- 0.3	174.4	+ 1.0
10.	Transportation	1.2	250.8	250.8	0.0	247.9	+ 1.2
11.	Education	1.5	206.1	206.3	- 0.1	208.2	- 1.0
12.	Miscellaneous Goods and Services	2.0	158.6	158.8	- 0.1	160.3	- 1.1
TOTAL - ALL ITEMS INDEX		100.0	242.9	236.8	+2.6	232.3	+ 4.6

P.T.O.

The yearly price increases i.e. annual rate of inflation (December to December 1997 - 2003) for the last six years as well as movement in group indices from December 2000 to December 2003 are shown in the diagrams below: -



The diagram below depicts the purchasing power of the shilling in terms of consumption at different times. From December 1997, the value of 100 shillings (*and thus the purchasing power*), has been decreasing, declining to 69 shillings and 59 cents in December 2003.



The National Consumer Price Index (NCPI) covers prices collected in 20 towns in Mainland Tanzania. Prices are gathered for 212 items. All prices collected are the prevailing market prices.

The NCPI is a statistical measure of goods and services bought by persons in urban areas, including all expenditure groups and both families and single persons. It measures changes in price - not - expenditure - which are the most important cause of changes in the cost of living.

Contact person: Director General
National Bureau of Statistics