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STATISTICS RELEASE

MARCH 2003 INFLATION RATE STAGNATES

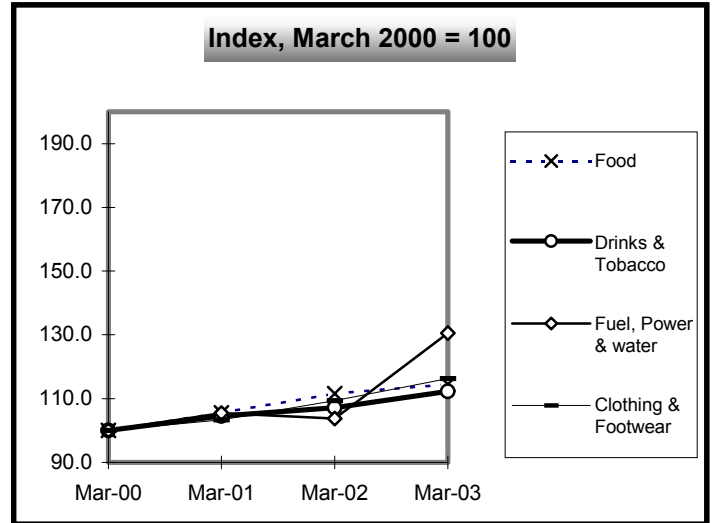
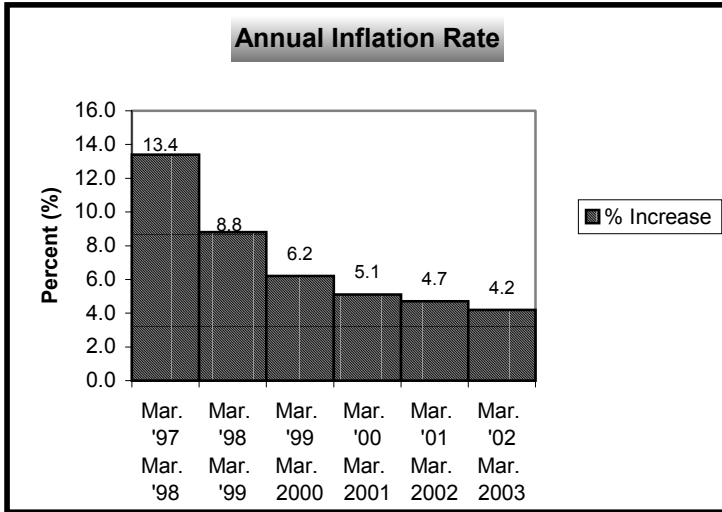
Inflation rate for March 2003 has remained the same as was for February 2003. According to the National Consumer Price Index (NCPI), Inflation rate for March 2003 is 4.2 percent in relation to the figures for March the previous year. The March 2003 inflation rate has remained stagnant when compared with February 2003 inflation figure, which was 4.2 percent as measured on a year - to - year basis. However, as measured on a month-to-month basis that is between February 2003 and March 2003 inflation went up by 1.9 percent.

The overall Index increased from 246.7 in February 2003 to 251.4 in March 2003. Prices for both food items and non-food items had gone up. Food items that had increased prices were rice, maize grain, maize flour, beef, chicken, goat meat, liver, sausages, fish, cooking bananas, beans, cowpeas, cassava, potatoes and soft drinks. Non-food consumer items, which had increased prices were kerosene, charcoal, bed sheets, mattresses, shaving and hair creams, radio cassettes, bicycles and bicycle tyres, petrol and school notebooks. However, prices of basins, water buckets, brooms wrist watches and umbrellas had gone down. Details of the National Consumer Price Index for the month of March 2003 by consumption groups are tabulated below: -

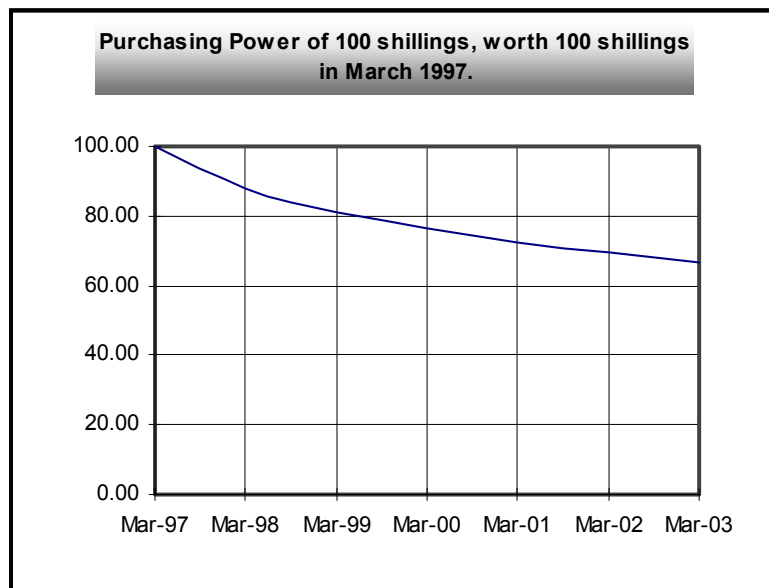
NATIONAL CONSUMER PRICE INDEX (ALL-URBAN) MARCH 2003 (Base: December 1994 = 100)

MAIN GROUP		Weight	March 2003	Feb. 2003	% Change Feb. 2003 to Mar. 2003	March 2002	% Change Mar. 2002 to Mar. 2003
1.	Food	71.2	264.7	258.3	+ 2.5	258.0	+ 2.6
2.	Drinks and Tobacco	4.4	185.9	185.6	+ 0.2	177.4	+ 4.8
3.	Rents	3.9	207.8	207.7	0.0	201.0	+ 3.4
4.	Fuel, Power and Water	4.7	341.3	339.5	+ 0.5	271.2	+ 25.8
5.	Clothing and Footwear	3.7	209.9	209.9	0.0	197.5	+ 6.3
6.	Furniture & Household Equipment	2.5	204.5	204.2	+ 0.1	196.9	+ 3.9
7.	Household Operations & Maintenance	1.5	167.4	168.1	- 0.4	160.7	+ 4.2
8.	Personal Care & Health	2.2	160.4	159.9	+ 0.3	149.6	+ 7.2
9.	Recreation & Entertainment	1.2	176.2	176.0	+ 0.1	173.7	+ 1.4
10.	Transportation	1.2	251.4	250.3	+ 0.4	242.3	+ 3.8
11.	Education	1.5	211.7	211.2	+ 0.2	201.5	+ 5.1
12.	Miscellaneous Goods and Services	2.0	162.6	162.9	- 0.2	158.9	+ 2.3
TOTAL - ALL ITEMS INDEX		100.0	251.4	246.7	+ 1.9	241.3	+ 4.2

The yearly price increases i.e. annual rate of inflation (March to March 1997 - 2003) for the last six years as well as movement in group indices from March 2000 to March 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 March 1997, the value of 100 shillings (*and thus the purchasing power*), has been decreasing, declining to 66 shillings and 62 cents in March 2003.



The National Consumer Price Index (NCPI) covers prices collected in 20 urban towns (Regional 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.