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STATISTICS RELEASE

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SEPTEMBER 2003 INFLATION RATE STAGNATES

Inflation rate for September 2003 has remained the same as was for August 2003. According to the National Consumer Price Index (NCPI), inflation rate for September 2003 is 4.5 percent in relation to the figures for September the previous year. The September 2003 inflation rate has remained stagnant when compared with August 2003 inflation figure, which was 4.5 percent as measured on a year - to - year basis. However, as measured on a month-to-month basis that is between August 2003 and September 2003 inflation went down by 0.6 percent.

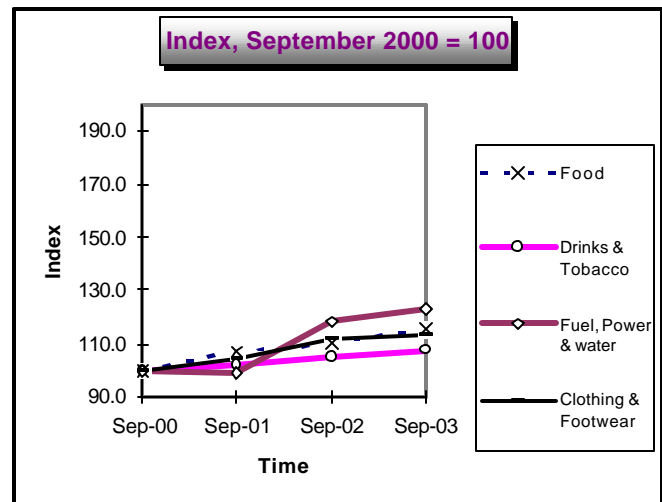
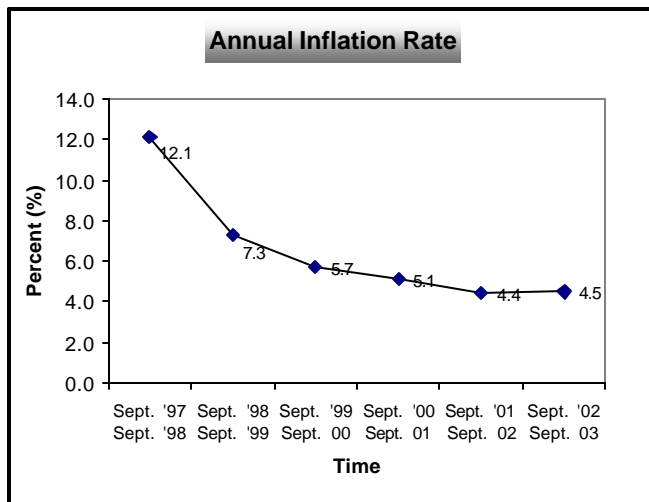
The Overall Index decreased from 234.5 in August 2003 to 233.1 in September 2003. Prices for both food items and non-food items had gone down. Food items that had decreased prices were, wheat flour, spaghetti, cooking oats, goat meat, dried and fresh fish, tinned sardines, cooking oils, sweet and cooking bananas, ground nuts, coconuts, cowpeas, cassava, potatoes and meals from restaurants. Non-food consumer items, which had decreased prices, were tea leaves, clothes, leather shoes, furniture, electric and charcoal irons, kerosene and charcoal stoves, insecticides, basins, water buckets, toilet soap, face and hair creams, cough syrup, bicycle tyres, vehicle service, notebooks, school uniforms, wrist watches, hand bags and umbrellas. However, prices of radios and radio cassettes had gone up. Details of the National Consumer Price Index for the month of September 2003 by consumption groups are tabulated below: -

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

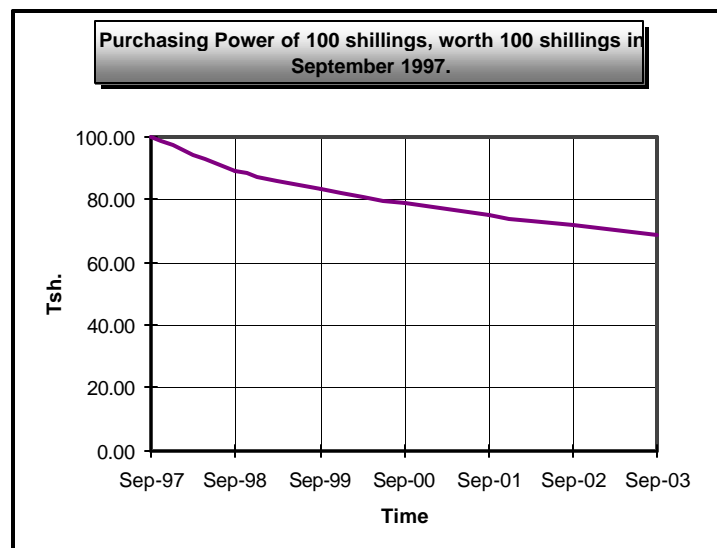
MAIN GROUP		Weight	Sept. 2003	Aug. 2003	% Change Aug. 2003 to Sept. 2003	Sept. 2002	% Change Sept. 2002 to Sept. 2003
1.	Food	71.2	239.4	241.4	- 0.8	228.3	+ 4.9
2.	Drinks and Tobacco	4.4	184.1	184.2	- 0.1	179.7	+ 2.4
3.	Rents	3.9	211.1	211.0	0.0	201.8	+ 4.6
4.	Fuel, Power and Water	4.7	336.1	336.2	0.0	322.7	+ 4.2
5.	Clothing and Footwear	3.7	205.5	206.1	- 0.3	202.8	+ 1.3
6.	Furniture & Household Equipment	2.5	207.8	209.1	- 0.6	199.1	+ 4.4
7.	Household Operations & Maintenance	1.5	170.9	171.2	- 0.2	161.3	+ 6.0
8.	Personal Care & Health	2.2	159.6	159.8	- 0.1	150.9	+ 5.8
9.	Recreation & Entertainment	1.2	177.9	177.4	+ 0.3	174.7	+ 1.8
10.	Transportation	1.2	251.1	251.3	- 0.1	246.9	+ 1.7
11.	Education	1.5	207.5	209.6	- 1.0	202.8	+ 2.3
12.	Miscellaneous Goods and Services	2.0	159.9	160.8	- 0.6	158.4	+ 0.9
TOTAL - ALL ITEMS INDEX		100.0	233.1	234.5	-0.6	223.1	+ 4.5

P.T.O.

The yearly price increases i.e. annual rate of inflation (September to September 1997 - 2003) for the last six years as well as movement in group indices from September 2000 to September 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 September 1997, the value of 100 shillings (*and thus the purchasing power*), has been decreasing, declining to 68 shillings and 54 cents in September 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.

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