

Introduction

The Consumer Price Index (CPI) measures the average change in the price paid by consumers for a fixed market basket of goods and services. It is usually based on household expenditure weights of the goods and services in the basket and their current market prices. The twelve CPI's (i.e., the CPI's of the 11 Regions and the CPI at Country Level) presented in this report are based on the results of the Household Income, Consumption and Expenditure Survey (HICES) conducted by the Central Statistical Authority in 1999/2000 from which expenditure weights are derived for major household goods and services of that period and adjusted using the December 2000 retail prices of the goods and services as a base period.

This report is the first of its kind in Ethiopia which consists of Regional and Country Level CPI's with December 2000 as a base period. However, similar indices had been utilized at Addis Ababa Level since 1963 and at Country, Urban and Rural Levels since 1995/96. All the twelve indices have eleven major groups each, namely: Food; Beverages; Cigarettes and Tobacco; Clothing and Footwear; House Rent, Construction Materials, Water, and Fuel and Power; Furniture, Furnishing, Household Equipment and Operation; Medical Care and Health; Transport and Communication; Recreation, Entertainment and Education; Personal Care and Effects; and Miscellaneous Goods and Services.

The Food Index, which is the major component of the General Index in all cases, has 13 sub-groups each in all indices. These are: Cereals; Pulses; Bread and Other Prepared Food; Meat; Milk, Cheese and Eggs; Vegetables and Fruits; Spices; Potatoes, Other Tubers and Stems; Coffee Beans (whole) and Tea Leaves; Other Food Items; Milling Charges; and Food taken Away from Home.

For the construction of the current consumer price indices, up to date data on retail prices are collected in the purposely selected sample market places located in representative urban centers in each zone/special weredas of the country. In each zone, a maximum of two urban centers (market places) and one urban center (market place) in each especial wereda was selected which is mainly the capital of that wereda. Hence, a total of 119 market places were selected for the retail price survey. The distribution of urban center the market place of each region and items included in the basket of commodities are given on Table A above.

In each urban center market place an enumerator is assigned for undertaking the data collection activities of the retail price survey. At the end of each budget year, these enumerators take part on training and the training concentrated on the methodology of data collection and use of field equipment to be used during the survey. The enumerators are expected to collect the monthly retail prices of goods and services by interviewing the retailers and by actually measuring the weight of the items on the spot for each month in question. In some cases, price data are also collected from consumers at the time of purchase of the goods and services. An attempt was made to reduce the time lag between the data collection and the CPI data dissemination at country and regional levels by adjusting slightly the period of data collection. That is, instead of collecting price data from 8th through 22nd days of the month in question, the newly adjusted time frame is the 1st day through 15th days of European Calendar month under consideration. To calculate the monthly regional consumer price indices, geometric mean of prices of the specific regions are used.

For the Construction of the Consumer Price Index at Country Level the contributions of the five relatively major regions in terms of the magnitude of the expenditure account for more than 95 percent. These regions are Oromiya, Amhara, SNNP, Addis Ababa and Tigray. On the other hand, the contributions of the remaining regions (Somali, Dire Dawa, Harari, Gambela, Benshangul-Gumuz and Afar) to the Country Level Consumer Price Index is about five percent.

An important factor in constructing a Consumer Price Index is to select the representative basket of goods and services. Though the procedure for choosing the basket of commodity by expenditure cut-off points, the total number of items included in the regional basket in the December 2000 based indices are given in Table A above.

Table A: Number of Markets Covered and Basket of Commodities by Region

Sr.No	Region	Number of Markets	Basket of Commodities
1	Tigray	8	114
2	Afar	4	85
3	Amhara	20	118
4	Oromia	24	127
5	Somalie	6	85
6	Benishangul-Gumuz	6	111
7	SNNP	31	130
8	Gambela	3	105
9	Harari	2	102
10	Addis Ababa City Administration	12	175
11	Dire Dawa Administrative Council	3	121
	Total	119	

Comparison of CPI Movements, Current vs Last year's Similar Months at Country Level

The August 2006 Country Level Consumer Price Index has increased by 14.3 percent as compared to August 2005 (Table 1(a)). This increase was attributed to the rise in the indices of its components; namely: Food by 14.1 percent, Beverages by 10.2 percent, Cigarettes and Tobacco by 4.3 percent, Clothing and Footwear by 6.7 percent, House Rent, Construction Materials, Water and Fuel and Power by 21.5 percent, Furniture, Furnishings, Household Equipment and Operation by 11.5 percent, Medical Care and Health by 5.4 percent, Transport and Communication by 16.6 percent, Recreation, Entertainment and Education by 5.5 percent and Personal Care and Effects by 16.6 percent.

The 14.1 percent increase in the Food index was observed due to rise in the indices of the components of Food index (Table 1(b)) namely: Cereals by (10.5 percent), Pulses (16.5 percent), Bread and Other Prepared Food (21.7 percent), Meat (29.6 percent), Milk, Cheese and Eggs (11.0 percent), oils and Fats by (3.2 percent), Vegetables and fruits (45.0 percent), Spices (1.7 percent), Potatoes, Other Tubers and Stems (21.1 percent,) Coffee and Tea Leaves (16.0 percent), Other Food Items (8.9 percent), Milling Charge by(1.6 percent), and Food Taken Away from Home (21.0 percent). On the other hand decline was observed in the index of spices by (4.4 percent).

Comparison of CPI Movements, Current vs Last year at Country and Regional Levels

Table 2(a) also displays that the August 2006 Country level General Consumer Price Index has increased by 14.3 percent as compared to August 2005. This increase was attributed to the rise in the indices of its constituent regions; namely: Addis Ababa 14.6 percent, Afar 13.1 percent, Amhara 13.4 percent, Benishangul Gumuz 11.0 percent, Dire Dawa 11.4 percent, Gambela 9.0 percent, Harari 13.3 percent, Oromia 14.6 percent, SNNP 17.0 percent, Somali 8.2 percent and Tigray 9.6 percent.

Table 2 (b) reveals that the 14.1 percent increase in the country level Food index was observed due to a rise in the indices of the regions namely: Addis Ababa 19.3 percent, Afar 15.2 percent, Amhara 9.3 percent, Benishangul Gumuz 13.0 percent, Dire Dawa 11.5 percent, Gambela 5.0 percent, Harari 11.2 percent, Oromia 15.4 percent, SNNP 20.9 percent, Somali 10.0 percent and Tigray 6.9 percent.

የጤና 20- ጠዋ የጥርጥር የጋ ጠጠየ ለገጠና ጠቅላላ ዕድገት ለጋ ጠጠየ ጊዜ
 የጋ 1993 -100
 Table 2a: Summary of General Consumer Price Indices at Country and Regional Levels
 December 2000=100

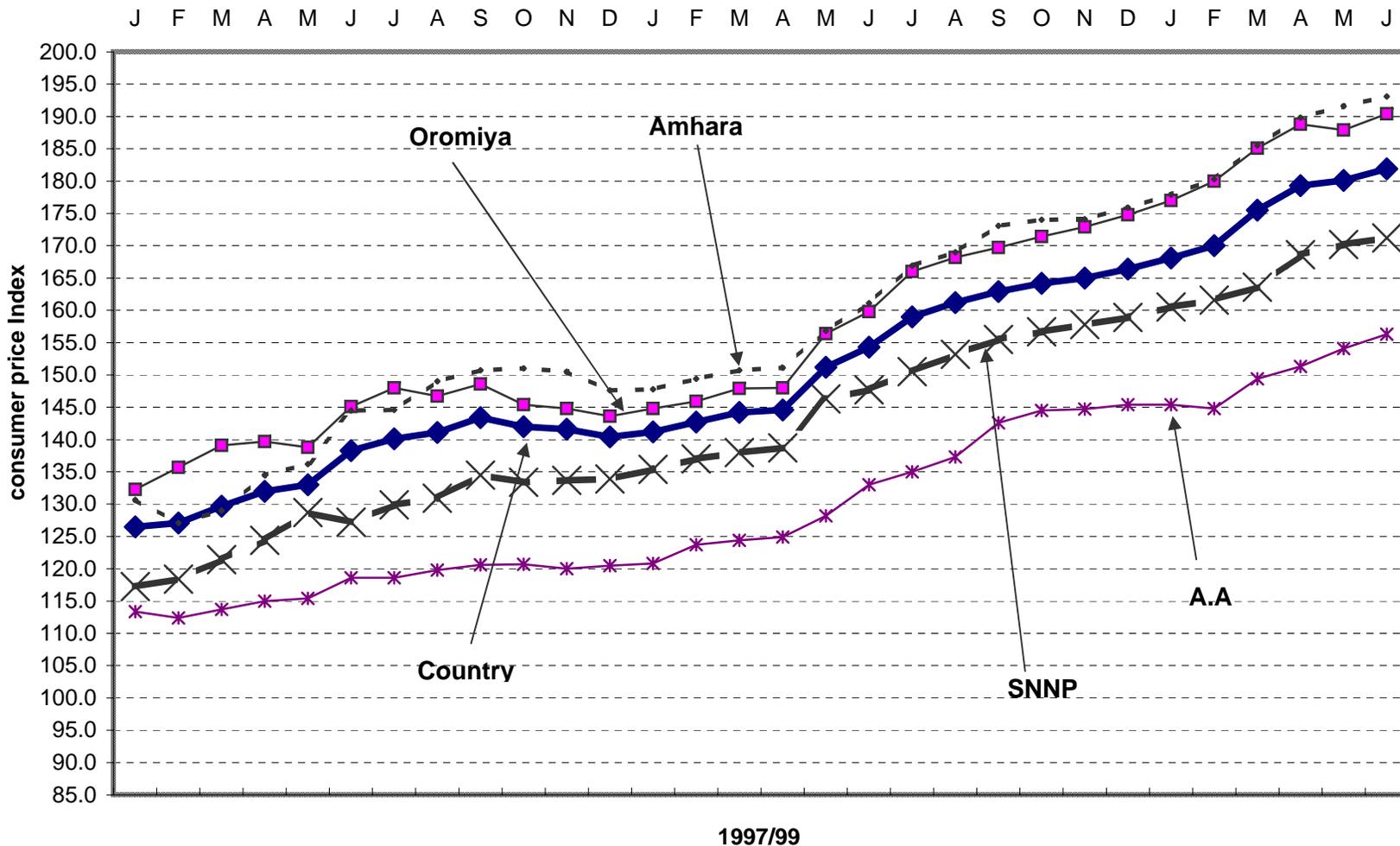
ጥርጥር ዓመት	Reporting Level											Month and Year	
	Eth.	A.A.	Afar	Amhara	B.Gumuz	D.Dawa	Gambela	Harari	Oromia	SNNP	Somalia		Tigray
የጋ 1993	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	December 2000
የጋ 1994	100.0	99.9	99.9	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	Weight Contribution
የጋ - ለጋ 1993	100.0	99.9	99.9	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	January - June 2001
የጋ 1993 - ለጋ 1994	95.0	95.7	99.2	94.6	101.2	97.5	98.7	98.3	96.5	96.4	99.8	95.8	July - June 2002
የጋ 1994 - ለጋ 1995	110.5	100.1	107.8	111.0	115.9	103.7	114.0	108.3	117.0	101.8	111.1	109.2	July 2002 - June 2003
የጋ 1995 - ለጋ 1996	120.0	105.5	115.9	125.5	135.8	107.0	117.9	113.5	126.2	109.0	110.4	113.3	July 2003 - June 2004
የጋ 1996 - ለጋ 1997	128.2	113.4	119.3	133.2	142.1	113.6	127.3	120.2	134.8	118.5	121.4	123.4	July 2004 - June 2005
የጋ 1997 - ለጋ 1998	143.9	122.9	128.5	150.9	153.6	126.1	149.6	135.3	148.3	136.6	137.9	138.8	July 2005 - June 2006
የጋ 1998 - ለጋ 1999	169.6	169.6	169.6	169.6	169.6	169.6	169.6	169.6	169.6	169.6	169.6	169.6	July 2006 - June 2007
የጋ 1999	154.3	133.0	138.9	161.1	163.0	132.7	162.9	148.7	159.8	147.7	143.4	143.4	June 2006
የጋ 2000	159.0	135.0	137.2	166.9	164.2	136.6	163.1	149.6	166.0	150.5	146.3	146.2	July 2006
የጋ 1999	161.2	137.3	138.4	169.9	164.8	138.8	166.0	152.3	168.2	153.2	147.4	147.9	August "
የጋ 1998	163.9	142.6	141.2	173.1	167.3	141.1	166.3	154.3	169.7	155.5	148.1	148.9	September "
የጋ 1997	164.2	144.5	142.7	174.0	168.3	141.4	167.8	154.8	171.4	156.7	148.4	150.0	October "
የጋ 1996	165.0	144.7	143.3	174.1	169.3	141.9	168.8	154.7	172.9	157.8	147.6	150.3	November "
የጋ 1995	165.4	145.4	143.6	175.9	170.7	142.8	168.7	155.6	174.8	158.9	147.3	148.1	December "
የጋ 1994	168.1	148.4	143.9	177.9	171.2	143.3	168.1	156.6	177.0	160.5	147.1	150.3	January 2007
የጋ 1993	170.4	144.8	145.2	180.3	171.0	144.6	170.1	156.4	180.0	161.7	146.7	150.0	February "
የጋ 1992	175.5	148.4	152.9	185.5	176.4	153.2	176.9	163.1	185.1	163.6	148.3	156.0	March "
የጋ 1991	179.3	151.3	155.1	199.8	175.7	153.0	181.7	160.8	188.8	168.6	149.3	157.8	April "
የጋ 1990	180.0	154.0	151.8	191.6	177.6	152.9	178.4	162.9	187.8	170.2	147.2	160.7	May "
የጋ 1989	181.6	156.3	152.4	192.2	179.0	152.8	177.9	164.7	190.1	171.2	148.5	163.7	June "

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 የጋ 1993 - 100
 Table 2b: Summary of Consumer Price Indices of Food at Country and Regional Levels
 December 2000=100

ጥርጥር ዓመት	Reporting Level											Month and Year	
	Eth.	A.A.	Afar	Amhara	B.Gumuz	D.Dawa	Gambela	Harari	Oromia	SNNP	Somalia		Tigray
የጋ 1993	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	December 2000
የጋ - ለጋ 1993	101.3	98.3	98.7	102.1	98.2	100.9	102.0	103.5	102.9	97.5	99.7	102.6	January - June 2001
የጋ 1993 - ለጋ 1994	92.8	92.3	94.3	90.3	101.1	93.4	97.0	96.6	94.0	93.0	98.6	92.8	July - June 2002
የጋ 1994 - ለጋ 1995	115.7	101.2	108.0	116.4	125.3	105.3	124.6	110.5	124.4	103.5	112.8	112.3	July 2002 - June 2003
የጋ 1995 - ለጋ 1996	129.4	110.0	116.4	136.7	158.9	108.9	135.7	115.4	137.0	113.6	112.7	118.7	July 2003 - June 2004
የጋ 1996 - ለጋ 1997	138.3	116.2	116.6	147.4	167.2	114.5	149.5	120.0	147.4	124.2	124.1	129.4	July 2004 - June 2005
የጋ 1997 - ለጋ 1998	158.8	131.3	138.6	169.0	181.6	130.1	173.7	138.1	165.9	143.6	149.2	145.4	July 2005 - June 2006
የጋ 1998 - ለጋ 1999	188.8	164.4	156.6	197.7	204.7	149.5	201.2	162.7	201.3	173.4	161.9	160.3	July 2006 - June 2007
የጋ 1999	170.5	145.6	142.8	177.0	194.5	139.2	188.8	152.4	179.8	158.5	156.7	148.4	June 2006
የጋ 2000	175.8	147.5	143.4	182.3	196.2	138.8	188.7	154.0	186.8	163.1	160.5	151.9	July 2006
የጋ 1999	178.3	150.7	145.0	184.4	196.9	141.7	193.9	156.9	189.2	166.4	162.4	153.7	August "
የጋ 1998	181.0	155.1	148.6	188.5	200.2	144.1	193.4	159.8	191.3	168.2	163.0	154.8	September "
የጋ 1997	181.9	159.3	150.6	190.3	201.4	145.0	195.6	160.6	193.6	169.6	163.6	156.3	October "
የጋ 1996	182.8	159.4	151.5	190.5	202.6	145.1	197.3	160.1	195.4	170.5	162.3	156.4	November "
የጋ 1995	184.4	161.5	151.6	192.6	204.7	145.8	196.7	160.3	197.5	171.4	161.5	155.5	December "
የጋ 1994	186.4	163.8	152.0	194.8	204.5	146.4	194.9	161.5	199.8	172.9	162.0	156.9	January 2007
የጋ 1993	190.1	165.3	153.5	199.2	202.9	148.7	198.8	160.8	204.4	173.8	161.4	158.3	February "
የጋ 1992	196.6	174.3	168.0	205.2	210.9	160.7	210.3	170.8	210.8	178.9	163.6	165.8	March "
የጋ 1991	201.7	176.7	175.2	212.7	208.1	160.3	219.4	166.7	215.5	182.0	163.7	168.0	April "
የጋ 1990	202.2	179.3	169.4	215.6	213.1	159.0	212.8	169.1	213.6	182.5	158.6	170.8	May "
የጋ 1989	204.4	180.2	170.5	216.2	214.5	158.0	212.1	171.7	217.6	183.5	158.8	174.9	June "

General CPI for Country Level and Major Regions
ጠቅላላ የችርቻሮ ዋጋ ኢንዱክስ ለአገር አቀፍና ለዋና ዋና ክልሎች

2005/2007



የችርቻሮ ዋጋ ኢንዱክስ

Food CPI for Country Level and Major Regions
 የምግብ የችርቻሮ ዋጋ ኢንዱክስ ለአገር አቀፍና ለዋና ዋና ክልሎች
 2005/2007

