Economic Indicators

An Occasional Paper

Issue No. 221 20 October, 1995

1. Consumer Price Index
   3rd Quarter 1995

2. Producer Price Index - Manufacturing
   (PPI - M)
   Food, Beverages and Tobacco
   (April - June 1995)

MINISTRY OF ECONOMIC PLANNING & DEVELOPMENT
PORT LOUIS
MAURITIUS
CONSUMER PRICE INDEX
3rd QUARTER 1995

1. **Main movements in Consumer Price Index in 3rd Quarter 1995.**

   The Consumer Price Index (C.P.I) increased by +1.9 points (or 1.5%) during the third quarter of 1995 to reach 131.7 as at September 1995. The main items which have contributed to that increase were: meat, fresh fish and fruits, soft drinks, alcoholic drinks, cigarettes, newspapers and services of domestic servants, carpenters and masons. Partially offsetting these increases were falls in prices of flour, bread and fresh vegetables.

   An increase of +1.0 point (or +0.8%) was registered during the corresponding quarter of 1994 (*Table 1*).

2. **Changes by Major Commodity Group and Items.**

   *Table 2* shows the evolution of the subindices of different major commodity groups of the C.P.I. Except for the two major commodity groups "Clothing & footwear" and "Fuel & light" which remained stable, all the remaining major commodity groups registered increases in the range of +0.6% to +6.7% during the third quarter of 1995.

   The major group "Alcoholic beverages & tobacco" which increased by about 7%, was the largest contributor to the change of the "All groups index", accounting for about 35% of the total change in that quarter. This increase was caused mainly by price increases of cigarettes (+14%) and beer (+8%).

   Increases in prices of a large variety of commodity items, such as personal care, writing materials, etc. pushed the index of the group "Miscellaneous goods and services" by +4.4% during the third quarter.

   The remaining major groups registered marginal increases in the range of +0.6% to +1.9%.

   It might be noted that although the major commodity group "Food and non alcoholic beverages" index advanced by only +0.7%, this is the net result of changes in prices of a large range of commodity items within this group, namely fresh beef (+7%), frozen meat (+9%), fresh fish (+9%), fresh fruits (+3%), soft drinks (+8%), bread (-6%), flour (-13%), fresh vegetables (-6%), and a large variety of other food products.

   *Table 3* gives the net contribution of commodities that have affected the index during the third quarter of 1995.
3. **Rate of inflation.**

The rate of inflation for financial year ending June 1995 works out to 6.1%, compared to 9.4% for the previous financial year. This rate was 7.3% for calendar year 1994.

On the basis of available figures for the first nine months of calendar year 1995, and of foreseeable price movements for the remaining three months, it is estimated that the rate of inflation for the calendar year 1995 will be around 6% (*Table 4*).

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Central Statistical Office.  
Ministry of Economic Planning and Development,  
**PORT LOUIS**  
October 1995.
Table 1 - Monthly Consumer Price Index - (July 1992 - September 1995)
(Base: July 1991 - June 1992 = 100)

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<td>January</td>
<td>109.0</td>
<td>119.4</td>
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<td>119.9</td>
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<td></td>
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<tr>
<td>March</td>
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<td>120.8</td>
<td>128.2</td>
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<td>111.1</td>
<td>121.0</td>
<td>128.8</td>
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<td>May</td>
<td>114.0</td>
<td>122.6</td>
<td>129.0</td>
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<td>June</td>
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<td>123.2</td>
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<td>July</td>
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<td>115.4</td>
<td>123.2</td>
<td>130.0</td>
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<td>August</td>
<td>105.6</td>
<td>116.3</td>
<td>123.8</td>
<td>131.4</td>
</tr>
<tr>
<td>September</td>
<td>106.4</td>
<td>117.2</td>
<td>124.2</td>
<td>131.7</td>
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<td>October</td>
<td>106.6</td>
<td>117.3</td>
<td>124.2</td>
<td></td>
</tr>
<tr>
<td>November</td>
<td>106.8</td>
<td>117.9</td>
<td>124.9</td>
<td></td>
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<tr>
<td>December</td>
<td>107.6</td>
<td>118.5</td>
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<td>Yearly average</td>
<td>103.5</td>
<td>114.4</td>
<td>122.7</td>
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<tr>
<td>Annual change (%)</td>
<td>+4.6</td>
<td>+10.5</td>
<td>+7.3</td>
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<tr>
<td>Inflation rate</td>
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Table 2: Monthly sub-indices by major commodity group - (January - September 1995)

(Base: July 1994 - June 1995 = 100)

<table>
<thead>
<tr>
<th>Major Commodity Group</th>
<th>Weight</th>
<th>Jan-95</th>
<th>Feb-95</th>
<th>Mar-95</th>
<th>Apr-95</th>
<th>May-95</th>
<th>Jun-95</th>
<th>Jul-95</th>
<th>Aug-95</th>
<th>Sep-95</th>
<th>% change from June 95 to Sept 95</th>
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</thead>
<tbody>
<tr>
<td>1. Food and non alcoholic beverages</td>
<td>992</td>
<td>131.8</td>
<td>133.1</td>
<td>134.5</td>
<td>134.3</td>
<td>134.3</td>
<td>134.7</td>
<td>134.6</td>
<td>135.1</td>
<td>135.7</td>
<td>+0.7</td>
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<tr>
<td>2. Alcoholic beverages and tobacco</td>
<td>82</td>
<td>123.9</td>
<td>123.7</td>
<td>124.0</td>
<td>124.5</td>
<td>124.5</td>
<td>124.7</td>
<td>124.6</td>
<td>133.1</td>
<td>133.1</td>
<td>+6.7</td>
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<tr>
<td>3. Clothing and footwear</td>
<td>88</td>
<td>128.0</td>
<td>128.0</td>
<td>128.0</td>
<td>128.8</td>
<td>128.8</td>
<td>130.8</td>
<td>130.8</td>
<td>130.8</td>
<td>130.8</td>
<td>-</td>
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<td>4. Fuel and light</td>
<td>52</td>
<td>107.5</td>
<td>107.5</td>
<td>107.5</td>
<td>112.8</td>
<td>112.8</td>
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<td>112.8</td>
<td>112.8</td>
<td>112.8</td>
<td>-</td>
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<tr>
<td>5. Housing and household operations</td>
<td>131</td>
<td>121.6</td>
<td>121.5</td>
<td>121.9</td>
<td>123.0</td>
<td>124.0</td>
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<td>127.8</td>
<td>129.0</td>
<td>128.5</td>
<td>+1.6</td>
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<td>6. Medical care and health expenses</td>
<td>36</td>
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<td>133.0</td>
<td>133.0</td>
<td>133.4</td>
<td>133.5</td>
<td>133.8</td>
<td>134.7</td>
<td>134.6</td>
<td>+0.8</td>
</tr>
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<td>7. Transport and communication</td>
<td>97</td>
<td>124.4</td>
<td>124.4</td>
<td>125.4</td>
<td>125.5</td>
<td>126.4</td>
<td>126.1</td>
<td>126.4</td>
<td>126.7</td>
<td>126.8</td>
<td>+0.6</td>
</tr>
<tr>
<td>8. Recreation, entertainment, education and cultural services</td>
<td>86</td>
<td>131.5</td>
<td>131.2</td>
<td>131.7</td>
<td>131.6</td>
<td>132.2</td>
<td>133.1</td>
<td>133.4</td>
<td>135.3</td>
<td>135.6</td>
<td>+1.9</td>
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<tr>
<td>9. Miscellaneous goods and services</td>
<td>56</td>
<td>120.9</td>
<td>121.2</td>
<td>121.4</td>
<td>124.5</td>
<td>124.9</td>
<td>125.7</td>
<td>126.0</td>
<td>130.6</td>
<td>131.2</td>
<td>+4.4</td>
</tr>
<tr>
<td>ALL GROUPS</td>
<td>1000</td>
<td>126.9</td>
<td>127.4</td>
<td>128.2</td>
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<td>129.0</td>
<td>129.8</td>
<td>130.0</td>
<td>131.4</td>
<td>131.7</td>
<td>+1.5</td>
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Table 3 - Net contribution of commodities that have affected the index in the third quarter of 1995

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Change in index point</th>
<th>% Change in price</th>
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<tbody>
<tr>
<td>Bread</td>
<td>- 0.2</td>
<td>- 5.9</td>
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<tr>
<td>Flour</td>
<td>- 0.1</td>
<td>- 13.0</td>
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<tr>
<td>Fresh beef</td>
<td>+ 0.1</td>
<td>+ 6.7</td>
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<tr>
<td>Frozen meat</td>
<td>+ 0.2</td>
<td>+ 8.5</td>
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<tr>
<td>Fresh fish</td>
<td>+ 0.2</td>
<td>+ 9.0</td>
</tr>
<tr>
<td>Fresh fruits</td>
<td>+ 0.1</td>
<td>+ 3.2</td>
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<tr>
<td>Fresh vegetables</td>
<td>- 0.4</td>
<td>- 5.7</td>
</tr>
<tr>
<td>Soft drinks</td>
<td>+ 0.2</td>
<td>+ 8.2</td>
</tr>
<tr>
<td>Other food products</td>
<td>+ 0.3</td>
<td>-</td>
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<tr>
<td>Alcoholic beverages</td>
<td>+ 0.2</td>
<td>+ 4.4</td>
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<tr>
<td>Cigarettes</td>
<td>+ 0.5</td>
<td>+ 14.3</td>
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<tr>
<td>Workmen's wages</td>
<td>+ 0.1</td>
<td>+ 6.2</td>
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<tr>
<td>Domestic services</td>
<td>+ 0.1</td>
<td>+ 6.2</td>
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<tr>
<td>Newspapers</td>
<td>+ 0.1</td>
<td>+ 11.5</td>
</tr>
<tr>
<td>Personal care goods</td>
<td>+ 0.1</td>
<td>+ 2.7</td>
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<tr>
<td>Writing materials</td>
<td>+ 0.1</td>
<td>+ 9.3</td>
</tr>
<tr>
<td>Other goods and services</td>
<td>+ 0.3</td>
<td>-</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>+ 1.9</strong></td>
<td></td>
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<tr>
<td>Calendar year</td>
<td>Inflation rate</td>
<td>Financial year</td>
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<tr>
<td>1975</td>
<td>14.7</td>
<td>1974 - 75</td>
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<td>1977</td>
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<td>1976 - 77</td>
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<td>8.5</td>
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<td>1979</td>
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<td>1982</td>
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<td>1983</td>
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<td>1993</td>
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<td>1992 - 93</td>
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<td>1994</td>
<td>7.3</td>
<td>1993 - 94</td>
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<tr>
<td>1995</td>
<td><em>Around 6.0</em></td>
<td>1994 - 95</td>
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*Forecast*
Consumer Price Index - All Groups

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<td>Jan</td>
<td>1.3</td>
<td>1.1</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Feb</td>
<td>1.5</td>
<td>0.8</td>
<td>0.4</td>
<td>0.6</td>
</tr>
<tr>
<td>Mar</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Apr</td>
<td>2.6</td>
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</tr>
<tr>
<td>May</td>
<td>-</td>
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<td>1.3</td>
<td>0.3</td>
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<tr>
<td>Jun</td>
<td>1.5</td>
<td>0.1</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Jul</td>
<td>1.0</td>
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<td>0.5</td>
<td>0.2</td>
</tr>
<tr>
<td>Aug</td>
<td>0.2</td>
<td>0.8</td>
<td>0.2</td>
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<td>0.3</td>
<td>0.2</td>
</tr>
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<tr>
<td>Nov</td>
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<td>Dec</td>
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Base: July 91 - June 92 = 100