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MAURITIUS

Consumer Price Index - 3rd Quarter 1984

The Consumer Price Index (C.P.I.) has increased substantially by 4.2 points or 3.7% during the 3rd quarter of 1984 to reach 117.4 in September. During the previous quarter the increase was only 0.8 point or 0.7% while that of the corresponding quarter a year ago was 1.2 points or 1.1%.

When compared with September 1983, the index shows an increase of 10.4 points or 9.7%. During the first nine months of 1984 the C.P.I. has risen by 10.1 points or 9.2%. For the corresponding nine months of 1983 the index rose by 4.6 points or 3.5%.

The annual rate of inflation for the period ending 30th September 1984 now stands at 6.4% as compared with 6.2% for the corresponding period ending 30th September 1983. Current price trends indicate that inflation rate for calendar year 1984 will be well above 7% and that for financial year 1984/85 will exceed 9%. It will be recalled that this rate was 11.4 and 5.6% for the last two calendar years and 7.5 and 5.6% for the last two financial years.

The index was affected during the 3rd quarter of 1984 by changes in the prices of the following commodities: electricity, bus fares, fresh vegetables, fruits and fish, snacks and cakes, clothing and footwear, kerosene and gasoline and alcoholic beverages.

New electricity tariff became operative on 1st of September. The increase of about 13% in domestic tariff was alone responsible for a rise of 0.5 point in the index.

Bus fares which had not changed since January 1982 were revised upwards by about 7% in August. This change moved the index up by 0.4 point.

Although fresh vegetables were in abundant supply during the third quarter, yet their prices rose relative to the second quarter when a sharp fall was registered. In fact prices rose by 5% in July and 4% in September, thus contributing 0.4 point to the rise in the index. Fresh fruits also showed a similar trend and raised the index by 0.2 point.

Adverse climatic conditions affected the supply of fresh fish. Consequently the price of this commodity went up and caused the index to rise by 0.2 point.

The increase in the price of flour registered in March did not affect, at that time, the prices of many flour products such as cakes and biscuits. In the meantime, prices of cooking oil, margarine, ghee and kerosene have also gone up. The impact of these increases made themselves felt on the prices of snacks and cakes in July and August and were passed on to consumers. The incidence on the index was a rise of 0.4 point.

Clothing/

Clothing and footwear were offered at higher prices during the third quarter and brought about a 0.3 point increase in the index.

Prices of petroleum products were revised in August. The price of kerosene and gasoline both went up by about 12%. These new prices pushed the index up by 0.3 and 0.2 point respectively.

Higher prices of some alcoholic beverages such as beer, stout and wine affected the index by 0.2 point.

Details of all changes in the index during the 3rd quarter of 1984 as compared to June 1984 are as follows:

<u>Commodity</u>	<u>Change</u>
Fresh milk	+ 0.1
Fresh fish	+ 0.2
Salted fish	+ 0.1
Fresh vegetables	+ 0.4
Fresh fruits	+ 0.2
Snacks and cakes	+ 0.4
Other food products	+ 0.2
Alcoholic beverages	+ 0.2
Electricity	+ 0.5
Kerosene	+ 0.3
Cement	+ 0.1
Durable household goods	+ 0.1
Clothing and Footwear	+ 0.3
Gasoline	+ 0.2
Bus fares	+ 0.4
Cosmetics	+ 0.1
Other goods and services	+ 0.4
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Total	+ 4.2
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Purchasing Power of the Rupee (1962 to 1983)

In this quarterly report, a table on the purchasing power of the rupee (Table 4) is included. A brief guide to its use is given herebelow.

The value of/

The value of the rupee in any year with respect to its value in a specific year can be readily reckoned from the table by reading it vertically. For example the rupee of 1962 is worth about R 1.07 in 1967, R 1.26 in 1972, R 2.63 in 1977 and R 6.24 in 1983. Similarly the rupee of 1983 is worth about R 0.16 in 1962, R 0.17 in 1967, R 0.20 in 1972 and R 0.42 in 1977. Likewise the rupee of 1975 is worth about R 0.47 in 1962, R 0.51 in 1967, R 0.60 in 1972, R 1.24 in 1977 and R 2.94 in 1983.

In addition, the annual inflation rate can also be readily obtained from the table. This time the table should be read horizontally and the inflation rate for a given year is found just before the figure 100 along the line. Thus the inflation rate for 1975 is 14.7%, for 1980 42.0% and for 1983 5.6%.

Central Statistical Office,
Rose Hill.

Table 1 - Inflation Rate (%), 1972 - 1984

<u>Calendar Year</u>	<u>Inflation Rate</u>	<u>Financial Year</u>	<u>Inflation Rate</u>
1972	5.4	1971 - 72	3.2
1973	13.5	1972 - 73	7.2
1974	29.1	1973 - 74	25.4
1975	14.7	1974 - 75	20.6
1976	13.4	1975 - 76	14.7
1977	9.2	1976 - 77	9.6
1978	8.5	1977 - 78	10.1
1979	14.5	1978 - 79	8.0
1980	42.0	1979 - 80	33.0
1981	14.5	1980 - 81	26.5
1982	11.4	1981 - 82	13.4
1983	5.6	1982 - 83	7.5
		1983 - 84	5.6
		Annual inflation rate ending September 1983	6.2
		Annual inflation rate ending September 1984	6.4

Table 2 - Consumer Price Index

	<u>1982*</u>	<u>1983</u>	<u>1984</u>
January	241.7	104.6	109.9
February	245.7	106.1	110.6
March	246.4	106.4	112.4
April	247.0	106.7	113.2
May	248.5	106.2	113.5
June	248.4	105.8	113.2
July	101.4	106.4	114.0
August	101.6	106.5	115.6
September	101.1	107.0	117.4
October	101.5	108.1	
November	102.2	107.6	
December	103.4	107.5	

* January - June 1982, Base : January - June 1976 = 100

From July 1982, Base : January - June 1982 = 100

Table 3 - Sub indices by Major Commodity Group (Base : January - June 1982 = 100)

Commodity Group	1 9 8 3				1 9 8 4		
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter	2nd Quarter	3rd Quarter
Food and Non-Alcoholic Beverages	107.9	108.3	108.6	109.1	114.2	118.3	120.1
Alcoholic Beverages and Tobacco	104.6	106.9	107.4	107.0	107.4	107.8	110.1
Fuel and Light	94.9	94.9	94.9	100.9	101.6	101.7	107.1
Housing	108.7	109.3	110.4	110.8	113.2	114.9	117.5
Clothing, Footwear and Bedding	107.4	107.5	107.7	109.5	111.3	111.1	113.4
Transport and Communication	100.7	100.9	100.9	101.2	102.2	103.3	106.4
Medical care	103.6	103.9	104.9	109.8	114.0	115.0	118.1
Education	102.5	103.2	103.2	103.6	107.3	108.2	108.3
Miscellaneous	105.4	106.9	107.3	108.8	111.6	114.4	117.2
All Groups	105.7	106.2	106.6	107.7	111.0	113.3	115.7

Table 4 - Purchasing power of the rupee (1962 - 1983)

EROSION OF PURCHASING POWER

	1962	1967	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
1962	100	93.1	79.2	69.8	54.1	47.1	41.6	38.1	35.1	30.6	21.6	18.9	17.0	16.1
1967	107.4	100	85.1	75.0	58.1	50.6	44.7	40.9	37.7	32.9	23.2	20.2	18.1	17.1
1972	126.2	117.5	100	86.1	68.2	59.5	52.5	48.1	44.3	38.7	27.2	23.8	21.4	20.3
1973	143.2	133.3	113.5	100	77.4	67.5	59.5	54.5	50.2	43.9	30.9	27.0	24.2	22.9
1974	184.9	172.2	146.5	129.1	100	87.2	76.9	70.4	64.9	56.7	39.9	34.9	31.3	29.6
1975	212.1	197.5	168.1	148.1	114.7	100	88.2	80.8	74.4	65.0	45.8	40.0	35.9	34.0
1976	240.5	223.9	190.6	167.9	130.1	113.4	100	91.6	84.4	73.7	51.9	45.3	40.7	38.5
1977	262.6	244.5	208.1	183.4	142.0	123.8	109.2	100	92.1	80.5	56.7	49.5	44.4	42.1
1978	285.0	265.4	225.8	199.0	154.1	134.4	118.5	108.5	100	87.3	61.5	53.7	48.2	45.6
1979	326.3	303.8	258.6	227.9	176.5	153.8	135.7	124.3	114.5	100	70.4	61.5	55.2	52.3
1980	463.3	431.4	367.1	323.5	250.6	218.4	192.6	176.4	162.6	142.0	100	87.3	78.4	74.2
1981	530.5	493.9	420.4	370.7	286.9	250.1	220.6	202.0	186.1	162.6	114.5	100	89.8	85.0
1982	591.0	550.2	468.3	413.0	319.6	278.6	245.8	225.0	207.3	181.1	127.6	111.4	100	94.7
1983	624.1	581.0	494.5	436.1	337.5	294.2	259.6	237.6	218.9	191.2	134.8	117.6	105.6	100

EQUIVALENT PURCHASING POWER