

MAURITIUS

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Year 1994

MINISTRY OF ECONOMIC PLANNING & DEVELOPMENT
PORT LOUIS
MAURITIUS

CONSUMER PRICE INDEX -1st QUARTER 1995

1. Main movements in Consumer Price Index in 1st Quarter 1995.

The Consumer Price Index (C.P.I) which stood at 125.6 at December 1994, registered an increase of +2.6 points (or 2.1%) during the first quarter of 1995 to reach 128.2 in March 1995. It will be remembered that the corresponding increase in the first quarter of 1994 was of the order of +2.3 points (or +1.9%) (Table 1).

This 2.1% rise is mainly attributable to price changes in a variety of commodities, the most important ones being powdered milk, fresh vegetables, educational services and other school requisites (Table 3.).

2. Changes by Major Commodity Group and Items.

Table 2 shows the evolution of the different commodity group indices (sub-indices) of the C.P.I. over the first quarter of 1995. The highest increase was observed in the group "*Recreation, entertainment, education and cultural services*" (+7.3%) which was affected mainly by price increases during the month of January by commodity items related to the resumption of school activities. The main educational items which contributed to that increase were private tuition (+16%), educational services (+31%), school textbooks (+16%) and school requisites (+20%). The overall +7.3% increase in prices in this group influenced the index by a +0.6 point rise.

An increase of +3.3% was observed in the group "*Medical Care and health expenses*" caused by higher prices of some medicinal products and medical services. The overall impact was a +0.1 point rise in the index.

The "*Food and non alcoholic beverages*" index registered an increase of +2.8% during the first quarter as compared to December 1994. This group consists of a large range of commodity items which usually undergo frequent changes, especially fresh vegetables, fruits, fish and meat.

Fresh vegetables were seriously affected by adverse climatic conditions, heavy rainfall and cyclonic conditions which prevailed during the first quarter. Price increases of fresh vegetables registered in that quarter accounted for about 50% of the total point increase in that major commodity group. An overall increase of 9% in the fresh vegetables index contributed to a rise of +0.7 point.

The other significant contributors were powdered milk (+6%), edible oil (+8%), fresh meat (+9%), frozen beef (+4%) and food drinks (+3%). These increases were partly offset by price decreases of fresh fruits (-5%), especially the local ones and also fresh fish (-2%) due to the opening of the net fishing season in March 1995.

Price changes of a variety of commodity items in the major group "Miscellaneous" influenced the index by a rise of +2.3%. The major group "Fuel and light" has remained at the same level as at the end of 1994 while increases in the range of +0.2% to +1.4% were noted for the remaining commodity groups.

Table 3 gives the net contribution of commodities that have affected the index during the first quarter of 1995.

3. Rate of inflation.

The current rate of inflation for the twelve months ending March 1995 works out to 6.6%, compared to 10.3% for the twelve months ending March 1994. This rate was 7.3% for calendar year 1994 and 9.4% for financial year 1993/94 (Table 4).

On the basis of available figures for the past months and of foreseeable price movements, it is estimated that the rate of inflation for financial year 1994/95 will be in the range of 6 to 6.5%.

Central Statistical Office.
Ministry of Economic Planning and Development,
PORT LOUIS
April 1995.

Table 1 - Monthly Consumer Price Index - July 1992 - March 1995*(Base : July 1991 - June 1992 = 100)*

<u>Month</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
January		109.0	119.4	126.9
February		110.2	119.9	127.4
March		110.7	120.8	128.2
April		111.1	121.0	
May		114.0	122.6	
June		114.7	123.2	
July	104.0	115.4	123.2	
August	105.6	116.3	123.8	
September	106.4	117.2	124.2	
October	106.6	117.3	124.2	
November	106.8	117.9	124.9	
December	107.6	118.5	125.6	
Yearly average	103.5	114.4	122.7	
Rate of inflation (%)	+4.6	+10.5	+7.3	

Table 2 : Monthly sub-indices by major commodity group - January to March 1995

(Base: July 1991 - June 1992 = 100)

Major Commodity Group	Weight	Dec-94	Jan-95	Feb-95	Mar-95	Change between December 1994 and March 1995 (%)
1. Food and non alcoholic beverages	382	130.9	131.8	133.1	134.5	2.8
2. Alcoholic beverages and tobacco	82	122.3	123.9	123.7	124.0	1.4
3. Clothing and footwear	88	127.7	128.0	128.0	128.0	0.2
4. Fuel and light	52	107.5	107.5	107.5	107.5	-
5. Housing and household operation	131	121.0	121.6	121.5	121.9	0.2
6. Medical care and health expenses	36	123.8	131.9	132.4	133.0	3.3
7. Transport and communication	97	124.4	124.4	124.4	125.4	0.9
8. Recreation, entertainment, education and cultural services	66	122.7	131.5	131.2	131.7	7.3
9. Miscellaneous goods and services	56	118.7	120.9	121.2	121.4	2.3
ALL GROUPS	1000	125.6	126.9	127.4	128.2	2.1

**Table 3 - Net contribution of commodities that have affected the index
in the first quarter of 1995**

<u>Commodity</u>	<u>Change in index point</u>	<u>% Change in price</u>
Fresh meat	+0.1	+ 9.4
Frozen beef	+0.1	+ 3.9
Fresh fish	-0.1	- 1.8
Powdered milk	+0.2	+ 6.1
Edible oil	+0.1	+ 7.8
Fresh fruits	-0.2	- 5.0
Fresh vegetables	+0.7	+ 9.0
Food drinks	+0.1	+ 3.1
Other food products	+0.4	-
Alcoholic beverages	+0.1	+ 2.3
Household durable goods	+0.1	+ 0.7
Medicines & medical services	+0.1	+ 3.3
Motor vehicle spare parts	+0.1	+ 8.6
Private tuition	+0.2	+ 15.8
Educational services	+0.2	+ 31.2
School textbooks	+0.1	+ 16.3
School requisites	+0.1	+ 20.4
Other goods & services	+0.2	-
TOTAL	+2.6	+ 2.1

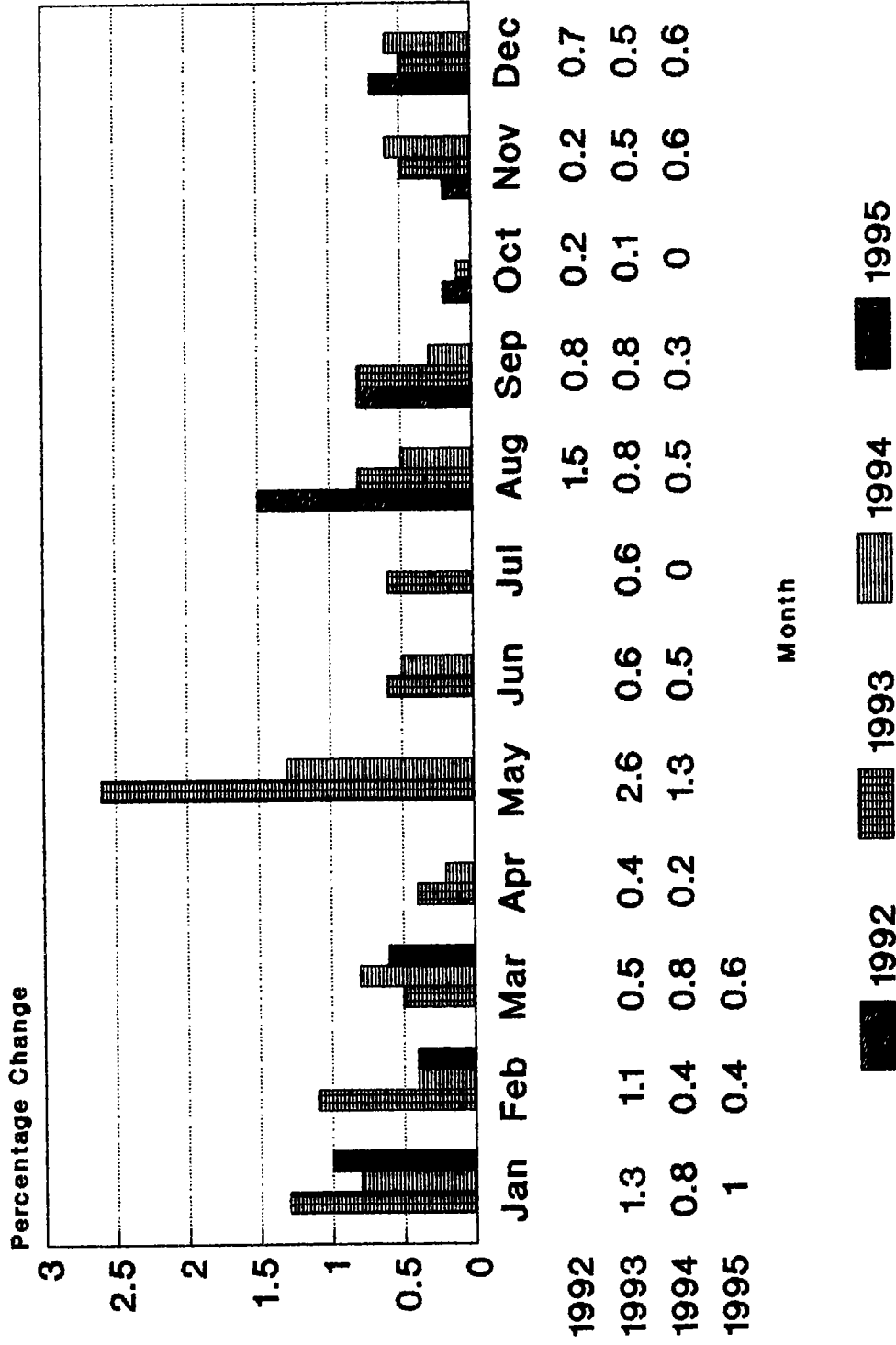
Table 4 - Inflation rate (%), 1975 - 1994

<u>Calendar year</u>	<u>Inflation rate</u>	<u>Financial year</u>	<u>Inflation rate</u>
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
1984	7.3	1983 - 84	5.6
1985	6.7	1984 - 85	8.3
1986	1.8	1985 - 86	4.3
1987	0.6	1986 - 87	0.7
1988	9.2	1987 - 88	1.5
1989	12.6	1988 - 89	16.0
1990	13.5	1989 - 90	10.7
1991	7.0	1990 - 91	12.8
1992	4.6	1991 - 92	2.9
1993	10.5	1992 - 93	8.9
1994	7.3	1993 - 94	9.4
		1994 - 95	6.0 - 6.5 1/

1/ Forecast

Consumer Price Index-All Groups

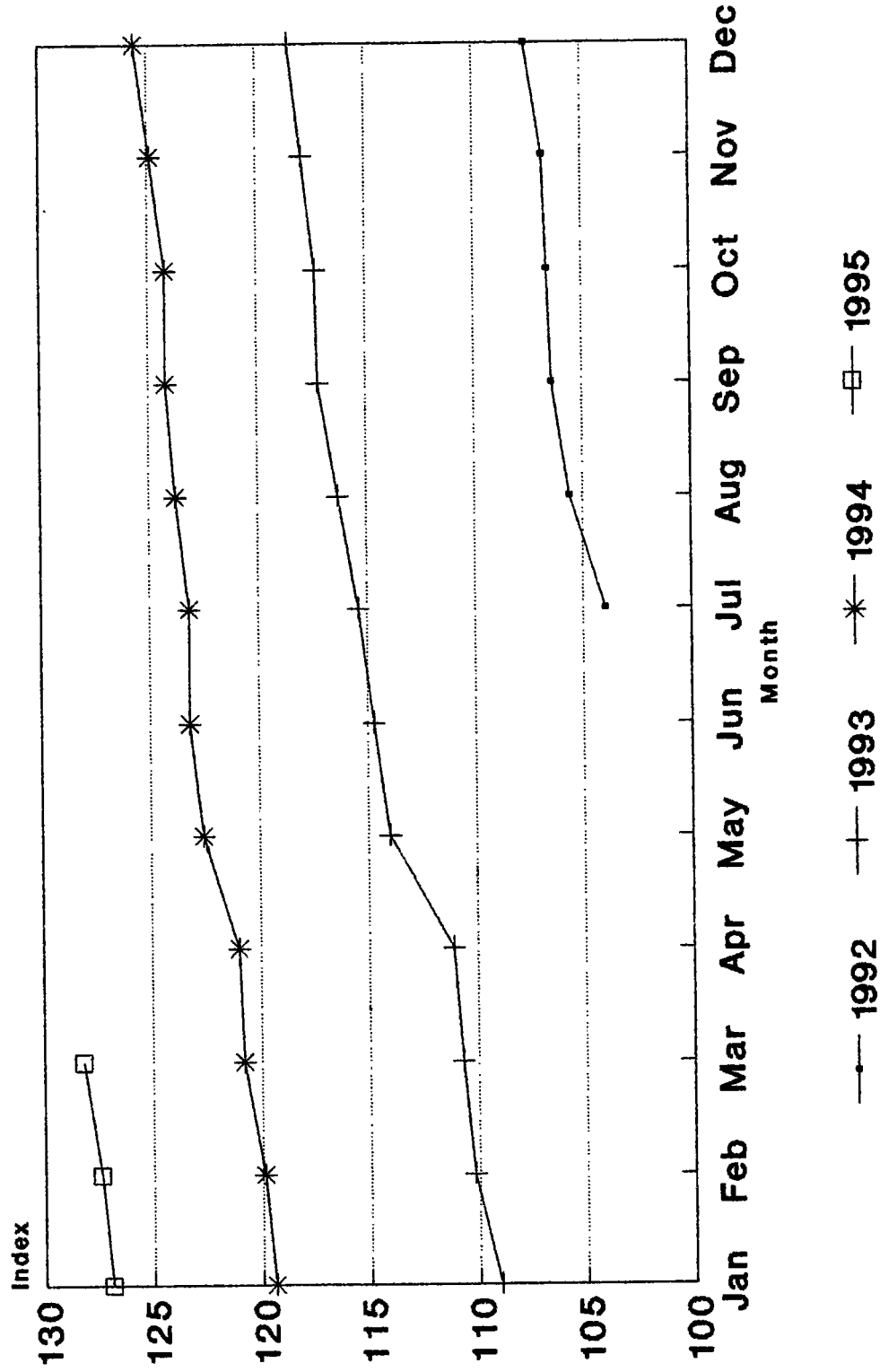
Monthly Movements; August 1992-March 1995



Base: July 91-June 92=100

Consumer Price Index-All Groups

Monthly Indices; July 1992-March 1995



Base: July 91- June 92=100