

CONSUMER PRICE INDEX - 2003

1. Main movements in the Consumer Price Index in 2003

The Consumer Price Index (C.P.I.) rose from 104.8 in December 2002 to 108.9 in December 2003, representing an increase of 4.1 points (or 3.9%) during the year 2003 (*Table 1*). On a monthly basis, a fall of 0.1 point was registered both in March and August, while increases were noted for other months, the highest one (0.7 point) occurring in January and May. This resulted in an average monthly increase of around 0.3 point during the year.

The net contribution of the main commodities that influenced the CPI in 2003 is given in *Table*

2. The main causes for the increase were:

- price increases of cigarettes in June and December,
- higher rates for telephone in September,
- higher prices of meat, milk, vegetables, beer and stout, and
- higher rates for catering services in the course of the year.

2. Changes in Sub-indices by division of consumption expenditure

Table 3 shows the evolution of the sub-indices for the twelve divisions of consumption expenditure during the year 2003. All sub-indices registered increases ranging from 1.1% to 10.0%.

The sub-index for “*Food and non-alcoholic beverages*” increased by 4.4%. This was attributable mainly to increases in price indices of milk (7.2%), bread (8.7%), fresh vegetables (3.0%), eggs (42.1%), cooking oil (8.1%), fish (2.6%), frozen mutton (11.6%) and margarine (15.6%).

The sub-index for “*Alcoholic beverages and tobacco*” went up by 8.9%. This was mainly due to price increases of cigarettes (11.6%), beer and stout (11.1%) and wine (7.2%).

The sub-index for “*Clothing and footwear*” increased by 1.4% largely as a result of price increases of ready made clothing (1.2%) and footwear (2.4%).

The “*Housing, water, electricity, gas and other fuels*” sub-index registered an increase of 2.1%. This was attributable mainly to higher charges for maintenance and repair of dwellings (14.6%), higher rates for waste water (15.9%) as from 1st August, as well as price increases of paints (8.7%).

The sub-index for “*Furnishings, household equipment and routine household maintenance*” rose by 2.1%. This was the net effect of higher charges for domestic services (5.9%), price increases of washing materials and softeners (5.3%) and laundry soap (5.1%), together with price decreases of some tools and equipment for house and garden (9.7%).

The sub-index for “*Health*” went up by 5.4% following price increases of some medicinal products (7.9%), higher doctors’ fees (2.3%) and clinic charges (3.9%).

A rise of 1.2% was observed in the “*Transport*” sub-index mainly due to price increases of air tickets (6.0%) and motor cars (1.4%) as well as higher rates for maintenance and repair of motor vehicles (5.6%).

The sub-index for “*Communication*” increased by 10.0%, mostly as a result of a net rise in the price index for telephone services (9.3%). Higher rates for postal services (65.7%) which came into effect on 1st November also contributed to this increase.

The sub-index for “*Recreation and culture*” went up by 1.1% mainly because of higher prices of cinema tickets (9.9%) and school textbooks (3.0%), coupled with price decreases of audio and video equipment (5.6%).

The sub-index for “*Education*” rose by 6.7% mainly due to higher fees for pre-primary school (14.4%) and private tuition (5.9%).

An increase of 3.2% was registered in the “*Restaurants and hotels*” sub-index mostly as a result of higher charges in bars and restaurants (4.4%).

The sub-index for “*Miscellaneous goods and services*” went up by 4.6%. This was mainly due to price increases of some goods for personal care and hygiene (2.8%) as well as higher charges for some services (30.8%) such as driving test.

3. Rate of inflation

The rate of inflation for calendar year 2003 works out to 3.9% compared to 6.4% for calendar year 2002. The rate of inflation for financial year 2002/2003 was 5.1% (*Table 4*). On the basis of trends in previous years, it is expected that the inflation rate for financial year 2003/04 will be around 4%.

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Note: Monthly Consumer Price Index is available on CSO website <http://statsmauritius.gov.mu> within 5 working days after the reference month.

Table 1 - Monthly Consumer Price Index, January 1998 - December 2003

<u>Month</u>	<u>(Base : July 1996 - June 1997 = 100)</u>					<u>(Base : July 2001 - June 2002 = 100)</u>	
	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2002</u>	<u>2003</u>
January	105.5	114.6	120.0	125.9	133.5		105.5
February	106.0	114.9	120.6	126.5	134.7		105.7
March	106.7	115.1	121.0	126.3	135.4		105.6
April	107.4	115.6	120.9	126.5	135.7		105.8
May	108.0	115.8	121.0	126.8	135.9		106.5
June	109.6	117.4	121.0	127.8	135.9		106.9
July	109.7	117.8	121.3	129.7		103.1	107.5
August	110.0	118.3	121.7	129.9		103.6	107.4
September	112.1	118.5	121.9	130.1		104.0	107.9
October	112.7	118.5	124.6	130.5		105.0	108.3
November	113.1	118.9	124.8	131.1		104.9	108.4
December	113.4	119.6	125.2	131.8		104.8	108.9
Yearly average	109.5	117.1	122.0	128.6		103.0	107.0
Annual change (%) (Inflation rate)	+ 6.8	+ 6.9	+ 4.2	+ 5.4		+ 6.4	+3.9

Table 2 - Net contribution of main commodities that affected the index during the year 2003

Commodity	Change in overall index point	% change in price index between December 2002 & December 2003
Bread	+ 0.1	+ 8.7
Meat	+ 0.2	+ 3.3
Fish	+ 0.1	+ 2.6
Milk	+ 0.2	+ 7.2
Eggs	+ 0.1	+ 42.1
Cooking oil	+ 0.1	+ 8.1
Margarine	+ 0.1	+ 15.6
Vegetables	+ 0.2	+ 3.6
Other food products	+ 0.2	+ 2.6
Wine	+ 0.1	+ 7.2
Beer and stout	+ 0.2	+ 11.1
Cigarettes	+ 0.6	+ 11.6
Materials for maintenance and repair of dwelling	+ 0.1	+ 4.8
Services for maintenance and repair of dwelling	+ 0.1	+ 14.6
Household products for cleaning and maintenance	+ 0.1	+ 5.0
Domestic services	+ 0.1	+ 5.9
Medicinal products	+ 0.1	+ 7.9
Motor cars	+ 0.1	+ 1.4
Air tickets	+ 0.1	+ 6.0
Postal services	+ 0.1	+ 65.7
Telephone services	+ 0.3	+ 9.3
Audio and video equipment	- 0.1	- 5.6
School fees	+ 0.1	+ 11.5
Private tuition	+ 0.1	+ 5.9
Catering services	+ 0.2	+ 3.1
Goods for personal care and hygiene	+ 0.1	+ 2.8
Other goods and services	+ 0.4	+ 1.4
Overall	+ 4.1	+ 3.9

Table 3 : Monthly sub-indices by division of consumption expenditure, December 2002 - December 2003*(Base: July 2001 - June 2002 = 100)*

Division	Description	Weight	Dec. 2002	Jan. 2003	Feb 2003	Mar. 2003	Apr. 2003	May 2003	Jun. 2003	Jul. 2003	Aug. 2003	Sep. 2003	Oct. 2003	Nov. 2003	Dec. 2003	% change between December 2002 & December 2003
01	Food and non-alcoholic beverages	299	103.2	103.9	104.2	104.1	104.2	105.5	106.2	106.6	106.5	107.4	107.1	107.2	107.7	+ 4.4
02	Alcoholic beverages and tobacco	86	106.2	106.6	106.5	106.4	106.9	108.0	110.0	110.8	110.6	110.6	112.2	112.2	115.7	+ 8.9
03	Clothing and footwear	60	102.5	102.8	103.0	102.9	101.7	103.3	103.4	103.6	103.8	103.8	103.7	103.9	103.9	+ 1.4
04	Housing, water, electricity, gas and other fuels	96	103.7	103.7	104.0	104.1	104.1	104.2	104.3	105.7	105.9	105.8	105.8	105.9	105.9	+ 2.1
05	Furnishings, household equipment and routine household maintenance	80	103.6	104.9	105.0	104.6	104.9	104.8	104.9	106.3	106.0	106.3	106.1	106.4	105.8	+ 2.1
06	Health	28	107.7	107.9	108.2	108.3	108.6	108.6	109.1	110.0	109.9	110.9	112.6	113.1	113.5	+ 5.4
07	Transport	139	105.4	106.0	106.0	105.6	106.2	106.3	106.6	107.2	105.8	105.7	106.0	106.2	106.7	+ 1.2
08	Communication	31	121.2	122.0	122.4	123.3	122.5	122.5	121.3	121.7	121.7	128.7	133.9	133.9	133.3	+ 10.0
09	Recreation and culture	53	103.6	103.9	104.1	103.9	104.3	104.5	104.5	105.1	105.1	105.2	104.8	104.5	104.7	+ 1.1
10	Education	24	101.7	107.1	107.1	107.1	107.1	107.1	107.1	108.5	108.5	108.5	108.5	108.5	108.5	+ 6.7
11	Restaurants and hotels	50	105.6	106.3	106.7	106.8	106.8	108.0	107.9	108.0	108.1	108.2	108.7	108.8	109.0	+ 3.2
12	Miscellaneous goods and services	54	107.8	108.4	109.0	108.8	109.4	109.4	109.7	110.1	112.4	112.6	112.8	113.3	112.8	+ 4.6
	Total	1,000	104.8	105.5	105.7	105.6	105.8	106.5	106.9	107.5	107.4	107.9	108.3	108.4	108.9	+ 3.9

Table 4 - Inflation rate (%), 1975 - 2004

<i>Calendar year</i>	<i>Inflation rate</i>	<i>Financial year</i>	<i>Inflation rate</i>
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
1995	6.0	1994 - 95	6.1
1996	6.6	1995 - 96	5.8
1997	6.6	1996 - 97	7.9
1998	6.8	1997 - 98	5.4
1999	6.9	1998 - 99	7.9
2000	4.2	1999 - 2000	5.3
2001	5.4	2000 - 2001	4.4
2002	6.4	2001 - 2002	6.3
2003	3.9	2002 - 2003	5.1
		2003 - 2004 ¹	Around 4

¹ Forecast